UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): October 27, 2020

California Resources Corporation

(Exact Name of Registrant as Specified in its Charter)

Delaware	**001-36478**	**46-5670947**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

27200 Tourney Road **Suite 200** **Santa Clarita** **California**	**91355**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number, Including Area Code: (888) 848-4754

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock	CRC	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Introductory Note

As previously reported, on July 15, 2020 (the "Petition Date"), California Resources Corporation ("CRC" or the "Company") and certain of its subsidiaries (collectively with the Company, the "Debtors") filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code (the "Chapter 11 Cases") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court"). The Chapter 11 Cases are being jointly administered under the caption In re California Resources Corporation, et al., No. 20-33568 (DRJ). The Debtors filed with the Bankruptcy Court, on July 24, 2020, the *Debtors' Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* and, on October 8, 2020, the *Amended Debtors' Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* (as amended, modified or supplemented from time to time, the "Plan"). On October 13, 2020, the Bankruptcy Court entered an order (the "Confirmation Order"), among other things, confirming the Plan. The Plan and Confirmation Order were previously filed as Exhibit 2.1 and Exhibit 99.1, respectively, to the Company's Current Report on Form 8-K filed with the U.S. Securities and Exchange Commission on October 19, 2020 and are hereby incorporated by reference as Exhibit 2.1 and Exhibit 99.1, respectively, to this Current Report on Form 8-K. Capitalized terms used but not otherwise defined in this Current Report on Form 8-K have the meanings given to them in the Plan and Confirmation Order.

On October 27, 2020 (the "Effective Date"), the conditions to effectiveness of the Plan were satisfied or waived and the Company emerged from Chapter 11.

Item 1.01 Entry into a Material Definitive Agreement.

First Lien Exit Facility

On the Effective Date, the Company, as borrower, entered into a Credit Agreement, dated the Effective Date (the "First Lien Exit Facility Credit Agreement"), with Citibank, N.A., as administrative agent, collateral agent, and issuing bank, and the several lenders party thereto, which provides for a first lien revolving credit facility up to $1,200,000,000 (the "First Lien Exit Facility"), with initial revolving commitments of $540,000,000.

The revolving commitments are subject to a borrowing base that is redetermined semi-annually in April and October. The revolving commitments are also subject to an automatic reduction if certain conditions are not met by April 2021.

Loans under the First Lien Exit Facility bear interest, at the option of the Company, at a rate equal to either (a) an adjusted LIBOR rate plus an applicable margin that varies from 3.00% to 4.00% depending on the utilization rate of the First Lien Exit Facility or (b) an alternate base rate plus an applicable margin that varies from 2.00% to 3.00% depending on the utilization rate of the First Lien Exit Facility; provided that in the event that the Eligible Notes (as defined below) are not paid in full on or prior to December 31, 2021, the applicable margin will be increased by 0.25% effective as of January 1, 2022 and will be increased by an additional 0.25% at the beginning of each subsequent fiscal quarter until such date on which the Eligible Notes are paid in full.

Certain subsidiaries of the Company (collectively, the "Guarantors") have guaranteed, on a joint and several basis, all of the obligations under the First Lien Exit Facility. To secure the obligations under the First Lien Exit Facility, the Company, the Guarantors and certain other subsidiaries of the Company have granted liens on substantially all of their assets (subject to certain exceptions), whether now owned or hereafter acquired.

The First Lien Exit Facility Credit Agreement contains representations and warranties, affirmative and negative covenants and events of default customary for financings of this type and size, including financial covenants under which (a) the Company will not permit its Consolidated Total Net Leverage Ratio (as defined in the First Lien Exit Facility Credit Agreement) as of the last day of the Test Period (as defined in the First Lien Exit Facility Credit Agreement) ending on March 31, 2021 or on the last day of any Test Period thereafter to be greater than 3.00 to 1.00 (or if the Eligible Notes are not paid in full on or prior to December 31, 2021 (and until the Eligible Notes are repaid in full), greater than 2.50 to 1.00 as of the last day of the Test Period ending December 31, 2021 and on the last date of any Test Period thereafter) and (b) the Company will not permit its Current Ratio (as defined in the First Lien

Exit Facility Credit Agreement) as of the last day of a fiscal quarter ending on or after March 31, 2021 to be less than 1.00 to 1.00. In addition, the Company is required to enter into agreements to hedge (a) 75% of its reasonably anticipated crude oil production from its proved reserves for the two years following the Effective Date and (b) 50% of its reasonably anticipated crude oil production from its proved reserves for the third year following the Effective Date, in each case in accordance with the First Lien Exit Facility. The Company must also maintain acceptable commodity hedges hedging no less than 50% of the reasonably anticipated oil production from our proved reserves for at least 24 months following the date of delivery of each reserve report. The Company will become subject to a monthly minimum liquidity requirement of $200 million if, as of the date of the Company's scheduled spring 2021 borrowing base redetermination, the Company's liquidity is less than $290 million and the Company is not able to obtain at least $60 million in additional commitments under its First Lien Exit Facility Credit Agreement or through capital markets or other junior financing transactions, for so long as the conditions in (a) and (b) remain unmet.

The proceeds of the First Lien Exit Facility on the Effective Date were used by the Company to refinance a portion of the Company's DIP Facilities, to refund, refinance and replace the Company's existing letters of credit and to pay certain costs, fees and expenses related to the other transactions consummated on the Effective Date. The proceeds of all or a portion of the First Lien Exit Facility may be used for working capital needs and other purposes subject to meeting certain criteria.

The First Lien Exit Facility matures 42 months after the closing date of the First Lien Exit Facility, and is subject to earlier termination upon the occurrence of certain events specified in the First Lien Exit Facility Credit Agreement.

The foregoing description of the First Lien Exit Facility Credit Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the First Lien Exit Facility Credit Agreement, which is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

Second Lien Exit Facility

On the Effective Date, the Company, as borrower, entered into a Credit Agreement, dated the Effective Date (the "Second Lien Exit Facility Credit Agreement"), with Alter Domus Products Crop., as administrative agent and collateral agent, and the several lenders party thereto, which provides for a second lien term loan facility in an aggregate principal amount of $200,000,000 (the "Second Lien Exit Facility").

Prior to the second anniversary of the closing date of the Second Lien Exit Facility, the loans under the Second Lien Exit Facility bear, at the option of the Company, either (a) cash pay interest at a rate equal to an adjusted LIBOR rate plus 9.00% or, at the option of the Company, an alternate base rate plus 8.00% or (b) paid-in-kind interest at a rate equal to the adjusted LIBOR rate plus 10.50% or, at the option of the Company, the alternate base rate plus 9.50%. On or after the second anniversary of the closing date, the loans under the Second Lien Exit Facility bear cash pay interest at a rate equal to an adjusted LIBOR rate plus 9.00% or, at the option of the Company, an alternate base rate plus 8.00%.

Certain subsidiaries of the Company (collectively, the "Guarantors") have guaranteed, on a joint and several basis, all of the obligations under the Second Lien Exit Facility. To secure the obligations under the Second Lien Exit Facility, the Company, the Guarantors and certain other subsidiaries of the Company have granted liens on substantially all of their assets (subject to certain exceptions), whether now owned or hereafter acquired.

The Second Lien Exit Facility Credit Agreement contains representations and warranties, affirmative and negative covenants and events of default customary for financings of this type and size, including financial covenants under which (a) the Company will not permit its Consolidated Total Net Leverage Ratio (as defined in the Second Lien Exit Facility Credit Agreement) as of the last day of the Test Period (as defined in the Second Lien Exit Facility Credit Agreement) ending on March 31, 2021 or on the last day of any Test Period thereafter to be greater than 3.45 to 1.00 (or if the Eligible Notes are not repaid in full on or prior to December 31, 2021 (and until the Eligible Notes are repaid in full), greater than 2.875 to 1.00 as of the last day of the Test Period ending December 31, 2021 and on the last date of any Test Period thereafter) and (b) the Company will not permit its Current Ratio (as defined in the Second Lien Exit Facility Credit Agreement) as of the last day of a fiscal quarter ending on or after March 31, 2021

to be less than 0.85 to 1.00. In addition, the Company is required to enter into agreements to hedge (a) 75% of its reasonably anticipated crude oil production from its proved reserves for the two years following the Effective Date and (b) 50% of its reasonably anticipated crude oil production from its proved reserves for the third year following the Effective Date, in each case in accordance with the Second Lien Exit Facility. The Company must also maintain acceptable commodity hedges hedging no less than 50% of the reasonably anticipated oil production from our proved reserves for at least 24 months following the date of delivery of each reserve report. The Company will become subject to a monthly minimum liquidity requirement of $170 million if, as of the date of the Company's scheduled spring 2021 borrowing base redetermination under the First Lien Exit Facility Credit Agreement, (a) the Company's liquidity is less than $247 million and (b) the Company is not able to obtain at least $51 million in additional commitments under its First Lien Exit Facility Credit Agreement or through capital markets or other junior financing transactions, for so long as the conditions in (a) and (b) remain unmet.

The proceeds of the Second Lien Exit Facility were used by the Company to refinance a portion of the Company's Junior DIP Facility and to pay certain costs, fees and expenses related to the other transactions consummated on the Effective Date.

The Second Lien Exit Facility matures five years after the closing date of the Second Lien Exit Facility, subject to permitted extensions, and is subject to earlier termination upon the occurrence of certain events specified in the credit agreement.

The foregoing description of the Second Lien Exit Facility Credit Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Second Lien Exit Facility Credit Agreement, which is filed as Exhibit 10.2 to this Current Report on Form 8-K and incorporated herein by reference.

Registration Rights Agreement

On the Effective Date, the Company entered into a Registration Rights Agreement, dated the Effective Date (the "Registration Rights Agreement"), with certain parties who received new common stock of the Company ("New Common Stock") on the Effective Date.

The Registration Rights Agreement grants the Backstop Parties (as defined in the Plan) and each holder of at least 1% of the shares of New Common Stock outstanding on the Effective Date customary registration rights for the New Common Stock, including certain shelf, demand and piggyback registration rights.

The foregoing description of the Registration Rights Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Registration Rights Agreement, a form of which is filed as Exhibit 10.3 to this Current Report on Form 8-K and incorporated herein by reference.

New Warrants Agreement

On the Effective Date, the Company entered into a Warrant Agreement, dated as of the Effective Date (the "New Warrants Agreement"), with American Stock Transfer & Trust Company, LLC, as warrant agent, which governs the terms of the Tier 1 Warrants and Tier 2 Warrants (together, the "New Warrants") issued on the Effective Date pursuant the Plan.

Pursuant to the Plan, the number of shares underlying the New Warrants as a percentage of the outstanding shares of New Common Stock is (i) 2% for the Tier 1 Warrants and (ii) 3% for the Tier 2 Warrants, in each case on a fully diluted basis as of the Effective Date, and subject thereafter to the anti-dilution provisions contained in the New Warrants Agreement. The New Warrants may be exercised beginning on the Effective Date and expire four years after the Effective Date.

The foregoing description of the New Warrants Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the New Warrants Agreement, which is filed as Exhibit 10.4 to this Current Report on Form 8-K and incorporated herein by reference.

EHP Conversion and Note Purchase Agreement

As previously reported, on July 15, 2020, the Company entered into a Settlement and Assumption Agreement (the "Settlement Agreement") with certain affiliates of Ares Management LLC ("Ares") related to the Company's midstream joint venture, Elk Hills Power, LLC ("Elk Hills Power"), which holds the Company's Elk Hills power plant and a cryogenic gas processing plant (the "Elk Hills Facilities"). Among other things, the Settlement Agreement granted the Company the right (the "Conversion Right") to acquire all (but not less than all) of the equity interests of Elk Hills Power owned by Ares and its affiliates in exchange for certain eligible securities in the form of secured notes (the "Eligible Notes") of EHP Midco Holding Company, LLC (the "Elk Hills Issuer") and New Common Stock (the "Eligible Stock") of the Company (or a successor thereto) upon the confirmation of a Chapter 11 plan of reorganization meeting certain conditions.

Pursuant to the Order, the Company was deemed to have exercised the Conversion Right on the Effective Date and has caused the issuance of the Eligible Notes in the aggregate principal amount of $300,000,000 and Eligible Stock comprising approximately 20.793% (subject to dilution) of the New Common Stock (the "Conversion"), in each case in accordance with the Settlement Agreement. Upon the Conversion, Elk Hills Power became a wholly-owned subsidiary of the Company, and Ares and its affiliates ceased to have any direct or indirect interest in Elk Hills Power, other than any interest Ares may have indirectly through its interests in the Eligible Notes and Eligible Stock. In connection with the Conversion, Elk Hills Power's limited liability company agreement was amended and restated to reflect that Elk Hills Power is a wholly-owned subsidiary of the Company.

On the Effective Date, the Elk Hills Issuer, a wholly-owned subsidiary of the Company holding 100% of the equity interests in Elk Hills Power, as issuer, entered into a Note Purchase Agreement, dated the Effective Date, with the purchasers party thereto and Wilmington Trust, National Association, as collateral agent (the "Note Purchase Agreement"), which provides for the issuance of the Eligible Notes.

The Eligible Notes are senior notes due 2027, are secured by a first-priority security interest in all of the assets of Elk Hills Power, any third-party offtake contracts for power generated by Elk Hills Power, all of the equity interests of Elk Hills Power held by the Elk Hills Issuer and all of the equity interests of the Elk Hills Issuer held by its direct parent, EHP Topco Holding Company, LLC, a wholly-owned subsidiary of the Company, and are guaranteed by Elk Hills Power. In addition, the Company has guaranteed all of the obligations of the Elk Hills Issuer under the Eligible Notes pursuant to the Owner Guaranty, dated the Effective Date (the "EHP Guaranty Agreement"), by the Company to and for the benefit of Wilmington Trust, National Association, as collateral agent. The Eligible Notes bear an interest rate of 6.0% *per annum* through the fourth anniversary of issuance, increasing to 7.0% *per annum* after the fourth anniversary of issuance and to 8.0% *per annum* after the fifth anniversary of issuance. The Eligible Notes may be redeemed at any time prior to their maturity date without payment of premium or penalty.

The foregoing descriptions of the Note Purchase Agreement and the EHP Guaranty Agreement do not purport to be complete and are qualified in their entirety by reference to the full text of the Note Purchase Agreement and EHP Guaranty Agreement, which are filed as Exhibit 10.5 and Exhibit 10.6, respectively, to this Current Report on Form 8-K and incorporated herein by reference.

Support Agreement

In connection with the Conversion, on the Effective Date, the Company, the Elk Hills Issuer and Elk Hills Power entered into a Sponsor Support Agreement, dated the Effective Date (the "Support Agreement"), pursuant to which, among other things, the parties agreed that from and after the Effective Date, Elk Hills Power will be the Company's primary provider of electricity and steam to, and will be the primary processor of the Company's natural gas produced from, the Elk Hills field. The Company will not be required to make any cash payments to Elk Hills Power in consideration for any natural gas processing services, electricity or steam provided by Elk Hills Power and the Company will provide Elk Hills Power with all of its natural gas requirements, at no cash cost, to the extent necessary for Elk Hills Power to operate and maintain the Elk Hills Facilities in accordance with the Support Agreement and to fulfill its obligations under certain third-party commercial arrangements.

In addition, the Company will (a) fund certain costs and expenses relating to the ownership, operation, maintenance and financing of the Primary Collateral (as defined in the Support Agreement), (b) make a sufficient number of its employees available to maintain the Primary Collateral and (c) operate and maintain the Primary Collateral, in each case in accordance with the Support Agreement.

On the Effective Date, in connection with the Conversion, including Elk Hills Power becoming a wholly-owned subsidiary of the Company and the Company entering into the Support Agreement, the Company terminated: (a) the Commercial Agreement, dated as of February 7, 2018, by and between Elk Hills Power, LLC and California Resources Elk Hills, LLC and (b) the Master Services Agreement, dated as of February 7, 2018, by and between Elk Hills Power, LLC and California Resources Elk Hills, LLC.

The foregoing description of the Support Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Support Agreement, which is filed as Exhibit 10.7 to this Current Report on Form 8-K and incorporated herein by reference.

Indemnification Agreement

The information in Item 5.02 of our Current Report on Form 8-K filed on October 27, 2020, under "Indemnification of Directors and Executive Officers," is incorporated by reference into this Item 1.01. The form of indemnification agreement, as referenced therein, is filed as Exhibit 10.8 to this Current Report on Form 8-K and incorporated herein by reference.

Item 1.02 Termination of a Material Definitive Agreement.

Equity Interests

In accordance with the Plan and Confirmation Order, on the Effective Date, all shares of the Company's common stock issued and outstanding immediately prior to the Effective Date, and any rights of any holder in respect thereof, were deemed cancelled, discharged and of no further force or effect.

Certain Prepetition Indebtedness

Pursuant to the Plan, on the Effective Date, the obligations of the Debtors under each of the following debt instruments were cancelled and the applicable agreements governing such obligations were terminated: (a) the Credit Agreement, dated as of November 17, 2017, by and among the Company, as borrower, each of the guarantors named therein, the lenders party thereto, and The Bank of New York Mellon Trust Company, N.A., as administrative agent, as amended, restated, supplemented or otherwise modified (the "2017 Term Loan Agreement"); (b) the Credit Agreement, dated as of August 12, 2016, by and among the Company, as borrower, each of the guarantors named therein, the lenders party thereto, and The Bank of New York Mellon Trust Company, N.A., as administrative agent and collateral agent, as amended, restated, supplemented or otherwise modified (the "2016 Term Loan Agreement"); (c) the Indenture dated as of December 15, 2015, by and among the Company, as the issuer, the guarantors party thereto, and the Bank of New York Mellon Trust Company, N.A., as trustee, pursuant to which the 8.00% Senior Secured Second Lien Notes due 2022 were issued, as amended, supplemented or otherwise modified (the "Second Lien Notes Indenture"); and (d) the Indenture dated as of October 1, 2014, by and among the Company, as the issuer, the guarantors party thereto and Wilmington Trust, National Association, as successor to Wells Fargo Bank, National Association, as trustee, pursuant to which the 5% Senior Notes due 2020, 5.5% Senior Notes due 2021 and 6% Senior Notes due 2024 were issued, as amended, supplemented or otherwise modified (the "Unsecured Notes Indenture").

DIP Facilities

On the Effective Date, the (a) senior secured superpriority debtor-in-possession credit agreement, dated as of July 22, 2020, by and among the Company, as borrower, each of the guarantors named therein, the lenders party thereto, and JPMorgan Chase Bank, N.A. as administrative agent and (b) junior secured superpriority debtor-in-possession credit agreement, dated as of July 23, 2020 (the "Junior DIP Facility"), by and among the Company, as borrower,

the lenders party thereto and Alter Domus Products Corp., as administrative agent, were both paid in full and terminated.

The EHP Commercial and Master Services Agreements

The information in Item 1.01—*Support Agreement* is incorporated by reference into this Item 1.02.

Item 2.01 Completion of Acquisition or Disposition of Assets.

The information in Item 1.01—*EHP Conversion and Note Purchase Agreement* is incorporated by reference into this Item 2.01.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information in Item 1.01 is incorporated by reference into this Item 2.03.

Item 3.02 Unregistered Sales of Equity Securities.

Upon the effectiveness of the Plan, all previously issued and outstanding equity interests in the Company were cancelled and the Company issued 65,174,345 shares of New Common Stock to the holders of 2017 Term Loan Secured Claims and Unsecured Debt Claims, including in connection with the consummation of the $450,000,000 Rights Offering and the payment of the Backstop Commitment Premium (each as defined in the Plan) to the Backstop Parties, 820,528 shares of New Common Stock as payment of the exit fee to the lenders under the Junior DIP Facility and 17,324,848 shares of New Common Stock in connection with the Conversion, and the Company reserved for issuance 4,384,241 shares of New Common Stock to effectuate the issuances upon the exercise of the New Warrants distributed to certain holders of Unsecured Debt Claims, in each case as provided in the Plan.

The information in Item 2.01 is incorporated by reference into this Item 3.02.

The shares of New Common Stock and New Warrants issued pursuant to the Plan were issued in reliance upon the exemption from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), provided by section 1145 of the Bankruptcy Code or, only to the extent such exemption under section 1145 of the Bankruptcy Code is not available, section 4(a)(2) of the Securities Act.

Item 3.03 Material Modification to Rights of Security Holders.

The information in Items 1.01, 1.02, 2.01, 3.02, 5.01 and 5.03 is incorporated by reference into this Item 3.03.

Item 5.01 Changes in Control of Registrant.

The information in Item 3.02 is incorporated by reference into this Item 5.01.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On the Effective Date, pursuant to the terms of the Plan, the Company filed the Amended and Restated Certificate of Incorporation of California Resources Corporation (the "Certificate of Incorporation") with the office of the Secretary of State of Delaware. Also on the Effective Date, and pursuant to the terms of the Plan, the Company adopted the Amended and Restated Bylaws of California Resources Corporation (the "Bylaws").

A description of the material changes from the Company's prior certificate of incorporation (the "Prior Certificate") and bylaws (the "Prior Bylaws") is set forth below. Additionally, the General Corporation Law of the State of Delaware (the "DGCL") may contain provisions that affect the capital stock of the Company.

The material differences between the Certificate of Incorporation and the Prior Certificate include the following:

- The Certificate of Incorporation prohibits the Company from issuing non-voting equity securities to the extent provided by Section 1123(a)(6) of the Bankruptcy Code. The Prior Certificate did not contain a comparable provision.
- The Certificate of Incorporation specifies that the number of directors will initially be nine and may be fixed from time to time exclusively by the Company's board of directors (the "Board"). The Prior Certificate did not specify the number of directors other than providing that the number of directors will be fixed from time to time exclusively by the Board.
- The Certificate of Incorporation prohibits cumulative voting in the election of directors. The Prior Certificate did not contain a comparable provision.
- The Certificate of Incorporation does not include a definition of "cause," as such term is used in providing when directors may be removed. The Prior Certificate contained a definition.
- The Certificate of Incorporation requires that there is a vacancy on the Board or the Board has authority to increase the number of directors by one when the Board determines that the Chief Executive Officer of the Company will not become disqualified as a director as a result of his termination as Chief Executive Officer. The Prior Certificate did not contain a similar requirement.
- The Certificate of Incorporation provides that the election, term of office, filling of vacancies, removal and other features of any directorships that a class or series of preferred stock has the right, voting separately as a class or series, to elect will be governed by the terms of such class or series of preferred stock, and the directors so elected will not be subject to Article Fifth of the Certificate of Incorporation unless otherwise provided. The Prior Certificate did not contain a comparable provision.
- The Certificate of Incorporation provides that special meetings of stockholders may be called only by the Chair of the Board or the Board pursuant to a resolution adopted by a majority of the total number of directors then in office. The Prior Certificate provided that special meetings of stockholders may be called by the Chief Executive Officer, the Chair of the Board or the Board pursuant to a resolution adopted by a majority of the total number of directors which the Company would have if there were no vacancies.
- The Certificate of Incorporation prohibits stockholders from amending the Bylaws except through the vote of holders of a majority in voting power of the outstanding shares of stock entitled to vote thereon, voting together as a single class. The Prior Certificate required a vote by holders of at least 75% in voting power.
- The Certificate of Incorporation provides for the indemnification of the Company's directors and officers and certain other covered persons. The Prior Certificate did not contain a comparable provision.
- The Certificate of Incorporation exempts from its exclusive forum provision any action or proceeding asserting a claim under the Securities Act or the Securities Exchange Act of 1934, as amended. The Prior Certificate did not contain a comparable provision.

The material differences between the Bylaws and the Prior Bylaws include the following:

- The provisions in the Prior Bylaws relating to the authority to call special meetings of stockholders were updated to match the corresponding provisions in the Certificate of Incorporation.
- The Bylaws authorize the Board or the Chair of the Board to designate the place of meeting for any annual or special meeting of stockholders. The Prior Bylaws authorized such designation to be made by the Board, the Chair of the Board or the Chief Executive Officer.
- The Bylaws provide that if there is no quorum, the chair of a stockholder meeting or a majority of the shares represented at the meeting may adjourn the meeting until a quorum will be present. The Prior Bylaws authorized an adjournment to be made by the chair or, if directed by the chair, a majority of the shares represented at the meeting, whether or not there is a quorum.

- The Bylaws explicitly authorize each of the Board and the chair of a stockholder meeting to adjourn the meeting from time to time, whether or not a quorum is present.
- The Bylaws provide for a different deadline than the Prior Bylaws for a stockholder to supplement its notice of nomination or other proposal.
- The Bylaws provide that a stockholder meeting will be presided over by the Chair of the Board, or in the Chair's absence, by a chair designated by the Board, or in the absence of such chair, by the Chief Executive Officer. The Prior Bylaws provided that a stockholder meeting will be presided over by the Chair of the Board, or in the Chair's absence, by the Chief Executive Officer, or in the Chief Executive Officer's absence, by a chair designated by the Board.
- The Bylaws provide that directors will be elected by a plurality of the votes cast. The Prior Bylaws limited the plurality standard to contested elections only and, with respect to uncontested elections, required the number of "for" votes to exceed the number of "against" or "withheld" votes and further required that incumbent nominees failing to receive such required votes in uncontested elections must tender resignations to the Board.
- The Bylaws provide that the Chief Executive Officer will be a director of the Company for so long as such person is serving as Chief Executive Officer. The Prior Bylaws did not contain a comparable provision.
- The Bylaws also contain different provisions than the Prior Bylaws with respect to the Company's power and obligations to indemnify its directors and officers and other covered persons.
- The Bylaws provide that stockholders may amend the Bylaws through the affirmative vote of at least a majority in voting power of the outstanding shares entitled to vote thereon. The Prior Bylaws required a vote by holders of at least 75% in voting power.

The foregoing descriptions of the Certificate of Incorporation and the Bylaws do not purport to be complete and are qualified in their entirety by reference to the full texts of the Certificate of Incorporation and the Bylaws, which are attached as Exhibits 3.1 and 3.2 to this Current Report on Form 8-K, respectively, and incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit No.	Description
2.1	Amended Debtors' Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code (incorporated by reference to Exhibit 2.1 of the Company's Current Report on Form 8-K filed on October 19, 2020).
3.1	Amended and Restated Certificate of Incorporation of California Resources Corporation (incorporated by reference to Exhibit 3.1 of the Company's Form 8-A filed on October 27, 2020).
3.2	Amended and Restated Bylaws of California Resources Corporation (incorporated by reference to Exhibit 3.2 of the Company's Form 8-A filed on October 27, 2020).
10.1	Credit Agreement, dated as of the Effective Date, among California Resources Corporation, as the Borrower, the several lenders from time to time parties thereto and Citibank, N.A., as Administrative Agent, Collateral Agent and an Issuing Bank.*#
10.2	Credit Agreement, dated as of the Effective Date, among California Resources Corporation, as the Borrower, the several lenders from time to time parties thereto and Alter Domus Products Corp., as Administrative Agent and Collateral Agent.*#
10.3	Form of Registration Rights Agreement, dated as of the Effective Date, by and among California Resources Corporation and the holders party thereto (incorporated by reference to Exhibit 10.1 of the Company's Form 8-A filed on October 27, 2020).#
10.4	Warrant Agreement, dated as of the Effective Date, between California Resources Corporation and American Stock Transfer & Trust Company, LLC, as Warrant Agent.#
10.5	Note Purchase Agreement, dated the Effective Date, by and among EHP Midco Holding Company, LLC, each of the Purchasers party thereto and Wilmington Trust, National Association, as collateral agent for the Secured Parties.#
10.6	Owner Guaranty, dated the Effective Date, by the Company to and for the benefit of Wilmington Trust, National Association, as Collateral Agent.#
10.7	Sponsor Support Agreement, dated the Effective Date, by and among Elk Hills Power, the Company and the Elk Hills Issuer.#
10.8	Form of Indemnification Agreement between the Company and its directors and executive officers (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed on October 27, 2020).
99.1	Order of the Bankruptcy Court, dated October 13, 2020, confirming the Amended Debtors' Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code (incorporated by reference to Exhibit 99.1 of the Company's Current Report on Form 8-K filed on October 19, 2020).
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

* Certain portions of this exhibit (indicated by "[*****]") have been omitted pursuant to Item 601(b)(10) of Regulation S-K.

Schedules and certain exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The registrant will furnish a supplemental copy of any omitted schedule or exhibit to the Securities and Exchange Commission upon request.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

California Resources Corporation

/s/ Roy Pineci

Name: Roy Pineci
Title: Senior Vice President

DATED: November 2, 2020

EXHIBIT 10.1

Certain portions of this exhibit (indicated by "[*****]") have been omitted pursuant to Item 601(b)(10) of Regulation S-K.

Execution Version

CREDIT AGREEMENT

Dated as of October 27, 2020

among

CALIFORNIA RESOURCES CORPORATION
as the Borrower,

The Several Lenders
from Time to Time Parties Hereto,

and

CITIBANK, N.A.,
as Administrative Agent, Collateral Agent and an Issuing Bank

---

CITIBANK, N.A., KEYBANC CAPITAL MARKETS INC., MIZUHO BANK, LTD.,
MUFG UNION BANK, N.A. and RBC CAPITAL MARKETS[1]
as Joint Lead Arrangers and Joint Bookrunners

CITIBANK, N.A.,
as Syndication Agent

CITIBANK, N.A.,
as Documentation Agent

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1 RBC Capital Markets is a brand name for the capital markets businesses of Royal Bank of Canada and its affiliates.

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EXHIBITS

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CREDIT AGREEMENT, dated as of October 27, 2020, among California Resources Corporation, a Delaware corporation (the "Borrower"), the banks, financial institutions and other lending institutions from time to time parties as lenders hereto (each a "Lender" and, collectively, the "Lenders"), Citibank, N.A. ("Citi"), as administrative agent and collateral agent for the Lenders and an Issuing Bank, and each other Issuing Bank from time to time party hereto.

WHEREAS, reference is made to that certain Amended and Restated Restructuring Support Agreement, dated as of July 24, 2020, by and among the Borrower, certain subsidiaries of the Borrower, the Consenting 2016 Term Loan Lenders (as defined in the Restructuring Support Agreement) party thereto, the Consenting 2017 Term Loan Lenders (as defined in the Restructuring Support Agreement) party thereto, the Consenting Second Lien Noteholders (as defined in the Restructuring Support Agreement) party thereto and Ares (as defined in the Restructuring Support Agreement) (as amended, amended and restated, supplemented, restated or otherwise modified, the "Restructuring Support Agreement"). Pursuant to the Restructuring Support Agreement, the Borrower and the other parties thereto agreed to a restructuring of the Borrower and its Subsidiaries;

WHEREAS, in furtherance of the Restructuring Support Agreement, (a) on July 15, 2020, the Borrower and certain of its Subsidiaries (collectively, the "Debtors") filed voluntary petitions to commence cases (the "Chapter 11 Cases") under the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court") and (b) on July 23, 2020, the Borrower entered into that certain Senior Secured Superpriority Debtor-in-Possession Credit Agreement, among the Borrower, as borrower, certain subsidiaries of the Borrower, as guarantors, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent (the "Senior DIP Facility") and that certain Junior Secured Superpriority Debtor-in-Possession Credit Agreement, among the Borrower, as borrower, certain subsidiaries of the Borrower, as guarantors, the lenders party thereto and Alter Domus Products Corp., as administrative agent (the "Junior DIP Facility" and together with the Senior DIP Facility, the "DIP Facilities");

WHEREAS, in furtherance of the Restructuring Support Agreement, the Debtors filed the Joint Plan of Reorganization with the Bankruptcy Court on July 24, 2020 (as subsequently revised or otherwise modified, the "Chapter 11 Plan");

WHEREAS, on October 13, 2020, the Bankruptcy Court entered the Confirmation Order confirming the Chapter 11 Plan, which Confirmation Order *inter alia* authorized and approved the Debtors' entry into and performance under this Agreement;

WHEREAS, in connection with the foregoing, (a) the Borrower has requested that (i) the Lenders provide certain loans to and extensions of credit on behalf of the Borrower and (ii) at any time and from time to time after the Closing Date and prior to the Maturity Date, the Lenders provide Loans to the Borrower subject to the Available Commitment and (b) the Borrower has requested that at any time and from time to time after the Closing Date and prior to the L/C Maturity Date, each Issuing Bank issue Letters of Credit (subject to the Available Commitment); and

WHEREAS, the Lenders and the Issuing Banks are willing to make available to the Borrower such revolving credit and letter of credit facilities, in each case, upon the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, the parties hereto hereby agree as follows:

SECTION1. DEFINITIONS.

1.1 Defined Terms.

As used herein, the following terms shall have the meanings specified below:

"ABR" shall mean for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Effective Rate plus ½ of 1.0%, (b) the Prime Rate in effect on such day and (c) the Adjusted LIBOR Rate for a one-month Interest Period on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1.0%, provided that, for the avoidance of doubt, the Adjusted LIBOR Rate for any day shall be based on the rate appearing on the Reuters Screen LIBOR01 Page (or on any successor or substitute page of such page) at approximately 11:00 a.m. London time on such day for a period equal to one month. Any change in the ABR due to a change in the Prime Rate, the Federal Funds Effective Rate or such Adjusted LIBOR Rate shall take effect at the opening of business on the day specified in the public announcement of such change in the Prime Rate, the Federal Funds Effective Rate or such Adjusted LIBOR Rate, respectively. If the ABR is being used as an alternate rate of interest pursuant to Section 2.10 (for the avoidance of doubt, only until any amendment has become effective pursuant to Section 2.10(d)), then the ABR shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above; provided further that, that if ABR shall be less than 2.00%, such rate shall be deemed to be 2.00% for purposes of this Agreement.

"ABR Loan" shall mean each Loan bearing interest based on the ABR.

"Acceptable Commodity Hedge Agreements" shall mean Hedge Agreements entered into with Approved Counterparties in respect of Hydrocarbons not for speculative purposes in the form of swaps, costless collars or other commodity Hedge Agreements reasonably acceptable to the Administrative Agent so long as (a) at least 25% of the Specified Volumes to be hedged are hedged by instruments in the form of commodity swaps at the then prevailing Strip Price and (b) the Specified Volumes not hedged as described in clause (a) are hedged with instruments providing for a price floor equal to or greater than the lesser of (x) $40.00 for Brent crude and (y) then prevailing Strip Price for the applicable volumes. As used herein, "Specified Volumes" means, with respect to any applicable period described in Section 9.18, 50% of the reasonably anticipated Hydrocarbon production in respect of crude oil from the Credit Parties' total Proved Developed Producing Reserves (as forecast based upon the applicable Reserve Report described in Section 9.18).

"Acceptable Security Interest" shall mean (i) with respect to Mortgaged Properties that are not subject to a Production Sharing Contract, a first priority, perfected Mortgage; provided that Liens which are permitted by the terms of Section 10.2 may exist and have whatever priority such Liens have at such time under applicable law and (ii) with respect to Oil and Gas Properties that are subject to a Production Sharing Contract, a first priority, perfected security interest in 100% of the Equity Interests of the Production Sharing Entity that is the direct owner of the Production Sharing Contract with respect to such Oil and Gas Properties; provided that such Production Sharing Entity is in compliance with Section 10.19.

"Additional Lender" shall have the meaning provided in Section 2.16(c)(i).

"Adjusted LIBOR Rate" shall mean, with respect to any Borrowing of a LIBOR Loan for any Interest Period, an interest rate *per annum* equal to (a) the LIBOR Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate.

"Adjusted Total Commitment" shall mean, at any time, the Total Commitment less the aggregate amount of Commitments of all Defaulting Lenders.

"Administrative Agent" shall mean Citi, as the administrative agent for the Lenders under this Agreement and the other Credit Documents, or any successor administrative agent appointed in accordance with the provisions of Section 12.9.

"Administrative Agent's Office" shall mean the Administrative Agent's address and, as appropriate, account as set forth on Schedule 13.2, or such other address or account as the Administrative Agent may from time to time notify in writing to the Borrower and the Lenders.

"Administrative Questionnaire" shall mean, for each Lender, an administrative questionnaire in a form approved by the Administrative Agent.

"Affected Financial Institution" shall mean (a) any EEA Financial Institution or (b) any UK Financial Institution.

"Affiliate" shall mean, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with such Person. A Person shall be deemed to control another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of Voting Equity, by contract or otherwise. "Controlling" and "controlled" shall have meanings correlative thereto.

"AFTAP" shall have the meaning provided in Section 8.10(c).

"Agents" shall mean the Administrative Agent and the Collateral Agent.

"Agent-Related Party" shall mean, with respect to any Agent, its Affiliates and the officers, directors, employees, agents, attorney-in-fact, partners, trustees and advisors of such Agent and of such Agent's Affiliates.

"Agreement" shall mean this Credit Agreement, as may be amended, restated, amended and restated, extended, replaced, exchanged, refinanced, supplemented or otherwise modified from time to time.

"Aggregate Elected Commitment Amount" shall mean, at any time, an amount equal to the sum of the aggregate Elected Commitments, as the same may be increased, reduced or terminated pursuant to Section 2.16. The Aggregate Elected Commitment Amount as of the Closing Date is $540,000,000.

"Aggregate Maximum Credit Amounts" at any time shall equal the sum of the Maximum Credit Amounts, as the same may be reduced or terminated pursuant to Section 2.16. The Aggregate Maximum Credit Amounts of the Lenders as of the Closing Date is $1,250,000,000.

"Annualized EBITDAX" shall mean, for the purposes of calculating the financial ratio set forth in Section 10.11(a) for each Test Period ending on or before September 30, 2021, the Borrower's actual Consolidated EBITDAX (without giving effect to any Cure Amount received by the Borrower pursuant to Section 11.13 during such Test Period) for such Test Period multiplied by the factor determined for such Test Period in accordance with the table below:

Test Period Ending	Factor
On or before March 31, 2021	4

June 30, 2021	2
September 30, 2021	4/3

"Applicable Margin" shall mean, for any day, with respect to any ABR Loan or LIBOR Loan, as the case may be, or the Commitment Fee Rate, the rate per annum set forth in the grid below based upon the Utilization Percentage in effect on such day; provided that in the event that the EHP Discharge Date has not occurred on or prior to December 31, 2021, the Applicable Margin applicable to any ABR Loan or LIBOR Loan set forth in the grid below will be increased by 0.25% effective as of January 1, 2022 and shall be increased by an additional 0.25% at the beginning of each subsequent fiscal quarter of the Borrower; provided further that any increase to the Applicable Margin pursuant to the immediately preceding proviso shall only be effective through the EHP Discharge Date:

Utilization Grid					
Utilization Percentage	*X < 25%*	*≥25% < X< 50%*	*≥ 50% < X < 75%*	*≥75% < X< 90%*	*X ≥ 90%*
LIBOR Loans	3.00%	3.25%	3.50%	3.75%	4.00%
ABR Loans	2.00%	2.25%	2.50%	2.75%	3.00%
Commitment Fee Rate	0.50%	0.50%	0.50%	0.50%	0.50%

Each change in the Commitment Fee Rate or Applicable Margin shall apply during the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change.

"Approved Bank" shall have the meaning assigned to such term in the definition of "Permitted Investments".

"Approved Counterparty" shall mean (a) any Hedge Bank and (b) any Person (other than a Hedge Bank) whose long term senior unsecured debt rating is A-/A3 by S&P or Moody's (or their equivalent) or higher at the time of entering into any Hedge Agreement and whose Hedge Agreements remain unsecured and do not contain margin call rights.

"Approved Petroleum Engineers" shall mean (a) Netherland, Sewell & Associates, Inc., (b) Ryder Scott Company, L.P., (c) DeGolyer and MacNaughton and (d) at the Borrower's option, any other independent petroleum engineers selected by the Borrower and reasonably acceptable to the Administrative Agent.

"Arrangers" shall mean Citi, Keybanc Capital Markets Inc., Mizuho Bank, Ltd., MUFG Union Bank, N.A. and RBC Capital Markets, each in its capacity as a joint lead arranger and joint bookrunner in respect of the Facility.

"Assignment and Assumption" shall mean an assignment and assumption substantially in the form of Exhibit G or such other form as may be approved by the Administrative Agent.

"Attorney Costs" shall mean all reasonable and documented fees, expenses and disbursements of any law firm or other external legal counsel.

"Authorized Officer" shall mean as to any Person, the President, the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer, the Treasurer, the Assistant or Vice Treasurer, the Vice President-Finance, the General Counsel, any Senior Vice President, any Executive Vice President and any manager, managing member or general partner, in each case, of such Person, and any other senior officer designated as such in writing to the Administrative Agent by such Person. Any document delivered hereunder that is signed by an Authorized Officer shall be conclusively presumed to have been authorized by all necessary corporate, limited liability company, partnership and/or other action on the part of the Borrower or any other Credit Party and such Authorized Officer shall be conclusively presumed to have acted on behalf of such Person.

"Auto-Extension Letter of Credit" shall have the meaning provided in Section 3.2(b).

"Available Commitment" shall mean, at any time, (a) the Total Commitment at such time minus (b) the aggregate Total Exposures of all Lenders at such time.

"Available Tenor" shall mean, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 2.10(d)(iv).

"Bail-In Action" shall mean the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" shall mean (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"Bank Price Deck" shall mean the Administrative Agent's most recent internal price deck on a forward curve basis for each of oil, natural gas and other Hydrocarbons, as applicable, furnished to the Borrower by the Administrative Agent from time to time in accordance with the terms of this Agreement.

"Bankruptcy Code" shall have the meaning provided in Section 11.5.

"Bankruptcy Court" shall have the meaning provided in the recitals to this Agreement.

"Benchmark" shall mean, initially, USD LIBOR; provided that if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred with respect to USD LIBOR or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.10(d)(i).

"Benchmark Replacement" shall mean, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

(1) the sum of: (a) Term SOFR and (b) the related Benchmark Replacement Adjustment;

(2) the sum of: (a) Daily Simple SOFR and (b) the related Benchmark Replacement Adjustment;

(3) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for U.S. dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment;

provided that, in the case of clause (1), such Unadjusted Benchmark Replacement is displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion.

If the Benchmark Replacement as determined pursuant to clause (1), (2) or (3) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Credit Documents.

"Benchmark Replacement Adjustment" shall mean, with respect to any replacement of the then current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement:

(1) for purposes of clauses (1) and (2) of the definition of "Benchmark Replacement," the first alternative set forth in the order below that can be determined by the Administrative Agent: (a) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for the applicable Corresponding Tenor; (b) the spread adjustment (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that would apply to the fallback rate for a derivative transaction referencing the ISDA Definitions to be effective upon an index cessation event with respect to such Benchmark for the applicable Corresponding Tenor; and

(2) for purposes of clause (3) of the definition of "Benchmark Replacement," the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar denominated syndicated credit facilities; provided that, in the case of clause (1) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the Administrative Agent in its reasonable discretion.

"Benchmark Replacement Conforming Changes" shall mean, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "ABR," the definition of "Business Day," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, the formula for calculating any successor rates identified pursuant to the definition of "Benchmark Replacement", the formula, methodology or convention for applying the successor Floor to the successor Benchmark Replacement and other technical, administrative or operational matters) that the Administrative Agent decides (in consultation with the Borrower) may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides (in consultation with the Borrower) is reasonably necessary in connection with the administration of this Agreement and the other Credit Documents).

"Benchmark Replacement Date" shall mean the earliest to occur of the following events with respect to the then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);

(b) in the case of clause (c) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein; or

(c) in the case of an Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Majority Lenders.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Event" shall mean the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication,

there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Unavailability Period" shall mean the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (a) or (b) of that definition has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Credit Document in accordance with Section 2.10(d) and (y) ending at the time that a Benchmark Replacement has replaced the then- current Benchmark for all purposes hereunder and under any Credit Document in accordance with Section 2.10(d).

"Beneficial Ownership Certification" shall mean a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" shall mean 31 C.F.R. § 1010.230.

"Benefit Plan" shall mean any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"Benefited Lender" shall have the meaning provided in Section 13.8(a).

"BHC Act Affiliate" of a party shall mean an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"Board" shall mean the Board of Governors of the Federal Reserve System of the United States of America (or any successor).

"Board of Directors" shall mean, as to any Person, the board of directors or other governing body of such Person, or if such Person is owned or managed by a single entity, the board of directors or other governing body of such entity.

"Borrower" shall have the meaning provided in the introductory paragraph hereto.

"Borrowing" shall mean the incurrence of one Type of Loan on a given date (or resulting from conversions on a given date) having, in the case of LIBOR Loans, the same Interest Period (*provided* that ABR Loans incurred pursuant to Section 2.10(b) shall be considered part of any related Borrowing of LIBOR Loans).

"Borrowing Base" shall mean, at any time, an amount determined in accordance with Section 2.14, as may be adjusted from time to time pursuant to Section 2.14. As of the Closing Date, the Borrowing Base shall be $1,200,000,000. Notwithstanding anything herein to the contrary, not more than 15% of the Borrowing Base may be comprised of the PV-9 of Proved Reserves associated with Production Sharing Contracts.

"Borrowing Base Deficiency" occurs if, at any time, the aggregate Total Exposure of all Lenders exceeds the Borrowing Base then in effect. The amount of the Borrowing Base Deficiency is the amount by which the aggregate Total Exposure of all Lenders exceeds the Borrowing Base then in effect.

"Borrowing Base Properties" shall mean the Oil and Gas Properties of the Credit Parties included in the Initial Reserve Report and thereafter in the Reserve Report most recently delivered pursuant to Section 2.14 or Section 9.14, as applicable.

"Borrowing Base Reduction Debt" shall mean Permitted Additional Debt issued or incurred in accordance with Sections 10.1(k) or (o), as applicable.

"Borrowing Base Value" shall mean, (a) with respect to any Oil and Gas Property of the Borrower, or any Grantor, the value attributed to such Oil and Gas Property in the most recent Borrowing Base redetermination or adjustment, as determined by the Administrative Agent and (b) with respect to any Hedge Agreement of the Borrower or any Grantor in respect of commodities, the value attributable to such Hedge Agreement in the most recent Borrowing Base redetermination or adjustment, as determined by the Administrative Agent; provided that (x) any Borrowing Base Value calculation by the Administrative Agent that would result in a reduction of the Borrowing Base pursuant to Section 2.14(f) shall be submitted to the Lenders for approval and (y) the failure of the Required Lenders to object to such Borrowing Base Value within five (5) Business Days shall be deemed to be an approval of such Borrowing Base Value by the Lenders.

"Budget" shall have the meaning provided in Section 9.1(g).

"Building" shall have the meaning assigned to such term in the applicable Flood Insurance Regulation.

"Business Day" shall mean any day excluding Saturday, Sunday and any other day on which banking institutions in New York City or Los Angeles, California are authorized by law or other governmental actions to close, and, if such day relates to (a) any interest rate settings as to a LIBOR Loan, (b) any fundings, disbursements, settlements and payments in respect of any such LIBOR Loan, or (c) any other dealings pursuant to this Agreement in respect of any such LIBOR Loan, such day shall be a day on which dealings in deposits in Dollars are conducted by and between banks in the London interbank eurodollar market.

"Capitalized Lease" shall mean, as applied to any Person, any lease of any property (whether real, personal or mixed) by that Person as lessee that, in conformity with GAAP, is, or is required to be, accounted for as a capital lease on the balance sheet of that Person; *provided* that for all purposes hereunder

the amount of obligations under any Capitalized Lease shall be the amount thereof accounted for as a liability on the balance sheet of such Person in accordance with GAAP; *provided*, *further*, that for purposes of calculations made pursuant to the terms of this Agreement, GAAP will be deemed to treat leases in a manner consistent with its treatment under generally accepted accounting principles as of January 1, 2018, notwithstanding any modifications or interpretative changes thereto that may occur. For the avoidance of doubt, any lease that would have been characterized as an operating lease in accordance with GAAP as of January 1, 2018 (whether or not such operating lease was in effect on such date) shall continue to be accounted for as an operating lease (and not as a Capitalized Lease) for purposes of this Agreement regardless of any change in GAAP following the Closing Date that would otherwise require such lease to be re-characterized (on a prospective or retroactive basis or otherwise) as a Capitalized Lease.

"Cash Collateralize" shall have the meaning provided in Section 3.7(b).

"Cash Management Agreement" shall mean any agreement entered into from time to time by the Borrower or any of the Borrower's Restricted Subsidiaries in connection with cash management services for collections, other Cash Management Services and for operating, payroll and trust accounts of such Person, including automatic clearing house services, controlled disbursement services, electronic funds transfer services, lockbox services, stop payment services and wire transfer services.

"Cash Management Bank" shall mean any Person that either (a) at the time it provides Cash Management Services, (b) on the Closing Date or (c) at any time after it has provided any Cash Management Services, is a Lender or an Agent or an Affiliate of a Lender or an Agent.

"Cash Management Obligations" shall mean obligations owed by the Borrower or any Restricted Subsidiary to any Cash Management Bank in connection with, or in respect of, any Cash Management Services.

"Cash Management Services" shall mean (a) commercial credit cards, merchant card services, purchase or debit cards, including non-card e-payables services, (b) treasury management services (including controlled disbursement, overdraft, automated clearing house fund transfer services, return items and interstate depository network services) and (c) any other demand deposit or operating account relationships or other cash management services, including any Cash Management Agreement.

"Casualty Event" shall mean, with respect to any Collateral, (a) any damage to, destruction of, or other casualty or loss involving, any property or asset or (b) any seizure, condemnation, confiscation or taking under the power of eminent domain of, or any requisition of title or use of, or relating to, or any similar event in respect of, any property or asset.

"CFC" shall mean a "controlled foreign corporation" within the meaning of Section 957 of the Code.

"Change in Law" shall mean (a) the adoption of any law, treaty, order, policy, rule or regulation after the Closing Date, (b) any change in any law, treaty, order, policy, rule or regulation or in the interpretation, implementation or application thereof by any Governmental Authority after the Closing Date or (c) compliance by any Lender with any guideline, request, directive or order enacted or promulgated after the Closing Date by any central bank or other governmental or quasi-governmental authority (whether or not having the force of law); *provided* that notwithstanding anything herein to the contrary, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) and all guidelines, requests, directives, orders, rules and regulations adopted, enacted or promulgated in connection therewith shall be deemed to have gone into effect after the Closing Date regardless of the date adopted, enacted or promulgated and shall be

included as a Change in Law but solely for such costs that would have been included if they would have otherwise been imposed under clauses (a)(ii) and (c) of Section 2.10 or Section 3.11 and only to the extent a Lender is imposing applicable increased costs or costs in connection with capital adequacy requirements similar to those described in clauses (a)(ii) and (c) of Section 2.10 or Section 3.11 generally on other borrowers of comparable loans under United States reserve based credit facilities under credit agreements having similar reimbursement provisions.

"Change of Control" shall mean and be deemed to have occurred if:

(a) any person or "group" (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Closing Date) shall have acquired beneficial ownership of more than 35%, on a fully diluted basis, of the Voting Equity in the Borrower; or

(b) a "change of control" (or any other defined term describing a similar event or having a similar purpose or meaning) shall occur under any Indebtedness for borrowed money with an outstanding principal amount in excess of $50,000,000 or any Permitted Refinancing Indebtedness in respect of any of the foregoing with an outstanding principal amount in excess of $50,000,000; or

(c) occupation of a majority of the seats (other than vacant seats) on the board of directors of the Borrower by Persons who were not one or more of the following: (i) directors of the Borrower on the Closing Date, (ii) nominated or appointed by the board of directors of the Borrower or (iii) approved by the board of directors of the Borrower as director candidates prior to their election shall occur.

Notwithstanding the preceding or any provision of Section 13d-3 of the Exchange Act, a Person or group shall not be deemed to beneficially own Equity Interests subject to a stock or asset purchase agreement, merger agreement, option agreement, warrant agreement or similar agreement (or voting or option or similar agreement related thereto) until the consummation of the acquisition of the Equity Interests in connection with the transactions contemplated by such agreement.

"Chapter 11 Cases" shall have the meaning provided in the recitals to this Agreement.

"Chapter 11 Plan" shall have the meaning provided in the recitals to this Agreement.

"Citi" shall have the meaning assigned in the introductory paragraph hereto.

"Closing Date" shall mean October 27, 2020.

"Closing Date Financials" shall have the meaning provided in Section 6(h).

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"Collateral" shall have the meaning provided for such term in each of the Security Documents and shall include any and all assets securing or intended to secure any or all of the Obligations; *provided* that with respect to any Mortgages, Collateral (as defined herein), shall include "Deed of Trust Property" (as defined therein).

"Collateral Agent" shall mean Citi, as collateral agent under the Security Documents, or any successor collateral agent appointed in accordance with the provisions of Section 12.9.

"Collateral Agreement" shall mean the Collateral Agreement of even date herewith by and among the Borrower, the other grantors party thereto and the Collateral Agent, for the benefit of the Secured Parties, substantially in the form of Exhibit E hereto.

"Collateral Coverage Minimum" shall mean that the Mortgaged Properties (excluding any Oil and Gas Properties subject to Production Sharing Contracts) shall represent at least 85% of the PV-9 of the Borrowing Base Properties (excluding the PV-9 of any Production Sharing Contracts), in each case, included either in the Initial Reserve Report or in the most recent Reserve Report delivered to the Administrative Agent.

"Commitment" shall mean, with respect to each Lender, the commitment of such Lender to make Loans and to acquire participations in Letters of Credit hereunder, as such commitment may be (1) modified from time to time pursuant to Section 2.16, (2) modified from time to time pursuant to assignments by or to such Lender pursuant to Section 13.6(b) or (3) modified by any other amendment or modification of such commitment permitted under this Agreement. The amount representing each Lender's Commitment shall at any time be the least of (i) such Lender's Maximum Credit Amount, (ii) such Lender's Commitment Percentage of the then-effective Borrowing Base and (iii) such Lender's Elected Commitment.

"Commitment Fee" shall have the meaning provided in Section 4.1(a).

"Commitment Fee Rate" shall mean, for any day, with respect to the Available Commitment on such day, the applicable rate per annum set forth next to the row heading "Commitment Fee Rate" in the definition of "Applicable Margin" and based upon the Utilization Percentage in effect on such day.

"Commitment Percentage" shall mean, at any time, for each Lender, the percentage obtained by dividing (a) such Lender's Commitment at such time by (b) the amount of the Total Commitment at such time; *provided* that at any time when the Total Commitment shall have been terminated, each Lender's Commitment Percentage shall be the percentage obtained by dividing (i) such Lender's Total Exposure at such time by (ii) the aggregate Total Exposures of all Lenders at such time (with such Total Exposure, and the components thereof, calculated using (x) any applicable Lender's outstanding principal amount of Loans plus (y) such Lender's Letter of Credit Exposure based on the Commitment Percentage of such Lender immediately prior to the termination of the Total Commitment).

"Commodity Account" shall mean any commodity account maintained by the Credit Parties, including any "commodity accounts" under Article 9 of the UCC. All funds in such Commodity Accounts (other than Excluded Accounts) shall be conclusively presumed to be Collateral and proceeds of Collateral and the Agents and the Lenders shall have no duty to inquire as to the source of the amounts on deposit in the Commodity Accounts.

"Commodity Account Control Agreement" has the meaning specified in Section 9.17.

"Commodity Exchange Act" shall mean the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute, and any regulations promulgated thereunder.

"Confidential Information" shall have the meaning provided in Section 13.16.

"Confirmation Order" shall mean the order of the Bankruptcy Court dated October 13, 2020, Docket No. 626, confirming the Chapter 11 Plan, which order inter alia authorized and approved the Debtors' entry into and performance under this Agreement.

"Connection Income Taxes" shall mean Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"Consolidated Current Assets" shall mean, as at any date of determination, without duplication, the sum of all amounts that would, in conformity with GAAP, be set forth opposite the caption "total current assets" (or any like caption) on a consolidated balance sheet of the Borrower and its Restricted Subsidiaries on such date, plus the Available Commitment then available to be borrowed, but excluding the amount of any non-cash asset under Accounting Standards Codification Topic No. 410 and Accounting Standards Codification Topic No. 815.

"Consolidated Current Liabilities" shall mean, as at any date of determination, without duplication, the sum of all amounts that would, in conformity with GAAP, be set forth opposite the caption "total current liabilities" (or any like caption) on a consolidated balance sheet of the Borrower and its Restricted Subsidiaries on such date, but excluding, without duplication, (a) the amount of any non-cash liabilities under Accounting Standards Codification Topic No. 410 and Accounting Standards Codification Topic No. 815, (b) the current portion of current and deferred income taxes (c) the current portion of any Loans and other long-term liabilities and (d) any non-cash liabilities recorded in connection with stock-based or similar incentive-based compensation awards or arrangements.

"Consolidated EBITDAX" shall mean, for any period, for the Borrower and its Restricted Subsidiaries on a consolidated basis, an amount equal to Consolidated Net Income for such period plus (a) the following to the extent deducted (and not added back) in calculating such Consolidated Net Income: (i) Consolidated Interest Expenses for such period, (ii) an amount equal to the provision for federal, state, and local income and franchise taxes, (iii) depletion, depreciation, amortization and exploration expense for such period (including all drilling, completion, geological and geophysical costs), (iv) losses from asset Dispositions (excluding Hydrocarbons Disposed of in the ordinary course of business), (v) all other non- cash items reducing such Consolidated Net Income for such period, (vi) non-recurring losses in an amount not to exceed five percent (5.0%) of Consolidated EBITDAX (prior to giving effect to such addbacks) for such period in the aggregate during such time, (vii) fees, costs and expenses paid for attorneys, accountants, lenders, bankers and other restructuring and strategic advisors in connection with the Chapter 11 Cases (including any fees, costs and expenses in connection with the DIP Facilities) or the Chapter 11 Plan and fees, costs and expenses of any party incurred with regard to negotiation, execution and delivery of this Agreement, the other Credit Documents and the documents relating to the Second Lien Exit Facility and EHP Notes, including any amendments thereto, (viii) fees, costs and expenses and other transaction costs incurred through December 31, 2020 in connection with the Transactions, the Chapter 11 Cases and the other transactions contemplated hereby or thereby (including the Transaction Expenses), (ix) non-cash losses from the adoption of fresh start accounting in connection with the consummation of the Chapter 11 Plan and (x) all severance costs, expenses and/or one-time compensation costs incurred through December 31, 2020, in connection with the Chapter 11 Cases; all determined on a consolidated basis with respect to the Borrower and its Restricted Subsidiaries in accordance with GAAP, using the results of the twelve-month period ending with that reporting period, and minus (b) the following to the extent included in (and not deducted from) calculating such Consolidated Net Income: (i) federal, state and local income tax credits of the Borrower and its Restricted Subsidiaries for such period, (ii) gains from asset Dispositions (excluding Hydrocarbons Disposed of in the ordinary course of business), (iii) all other non-cash items increasing Consolidated Net Income for such period and (iv) non-recurring gains; provided that, with respect to the determination of the Borrower's compliance with the Financial Performance Covenants set forth in Section 11.11 for any period, Consolidated EBITDAX shall be adjusted to give effect, on a *pro forma* basis, to any Qualified Acquisition or Qualified Disposition made during such period, as if such acquisition or Disposition had occurred on the first day of such period.

Consolidated EBITDAX shall be calculated for each four-fiscal quarter period using the Consolidated EBITDAX for the four most recently ended fiscal quarters (or with respect to fiscal quarters ending on or before September 30, 2021, Annualized EBITDAX).

For the avoidance of doubt, Consolidated EBITDAX shall be calculated in accordance with Section 1.12.

"Consolidated Interest Expense" shall mean, with respect to any Person for any period, without duplication, the sum of:

(i) consolidated interest expense of such Person and its Restricted Subsidiaries for such period, to the extent such expense was deducted (and not added back) in computing Consolidated Net Income (*including* (A) amortization of original issue discount resulting from the issuance of Indebtedness at less than par, (B) all commissions, discounts and other fees and charges owed with respect to letters of credit or bankers acceptances, (C) non-cash interest payments (but excluding any non-cash interest expense attributable to the movement in the mark to market valuation of Hedging Obligations or other derivative instruments pursuant to GAAP), (D) the interest component of obligations under any Capitalized Lease, and (E) net payments, if any, made (less net payments, if any, received), pursuant to interest rate Hedge Agreements with respect to Indebtedness, and *excluding* (F) costs associated with obtaining Hedge Agreements and breakage costs in respect of Hedge Agreements related to interest rates, (G) any expense resulting from the discounting of any Indebtedness in connection with the application of recapitalization accounting or, if applicable, recapitalization or purchase accounting in connection with the Transactions or any acquisition, (H) penalties and interest relating to income taxes, (I) any "additional interest" or "liquidated damages" with respect to other securities for failure to timely comply with registration rights obligations, (J) amortization or expensing of deferred financing fees, amendment and consent fees, debt issuance costs, commissions, fees and expenses and discounted liabilities, (K) any expensing of bridge, commitment and other financing fees and any other fees related to the Transactions or any acquisitions after the Closing Date, (L) any accretion of accrued interest on discounted liabilities and any prepayment premium or penalty (other than Indebtedness except to the extent arising from the application of purchase or recapitalization accounting) and (M) annual agency fees paid to the administrative agents and collateral agents under any credit facilities or other debt instruments or document); plus

(ii) consolidated capitalized interest of such Person and its Restricted Subsidiaries for such period, whether paid or accrued; less

(iii) interest income of such Person and its Restricted Subsidiaries for such period.

For purposes of this definition, interest on obligations in respect of Capitalized Leases shall be deemed to accrue at an interest rate reasonably determined by such Person to be the rate of interest implicit in such obligations in accordance with GAAP.

"Consolidated Net Income" shall mean, for any period, for the Borrower and its Restricted Subsidiaries on a consolidated basis, the net income (loss) of the Borrower and its Restricted Subsidiaries (excluding extraordinary gains and extraordinary losses and the net income (loss) of any Person (other than the Borrower or a Restricted Subsidiary) in which the Borrower and its Restricted Subsidiaries own any Equity Interests for that period, except to the extent of the amount of dividends and distributions actually received by the Borrower or a Restricted Subsidiary), provided that the calculation of Consolidated Net Income shall exclude any non-cash charges or losses and any non-cash income or gains, in each case, required to be included in net income of the Borrower and its Subsidiaries as a result of the application of

FASB Accounting Standards Codifications 718, 815, 410 and 360, but shall expressly include any cash charges or payments that have been incurred as a result of the termination of any Hedge Agreement.

"Consolidated Secured Net Leverage Ratio" shall mean, as of any date of determination, the ratio of (a) Consolidated Total Debt as of the last day of the most recent Test Period that is secured by a Lien on the Collateral to (b) Consolidated EBITDAX of the Borrower for such Test Period (or in the case of fiscal quarters ending on or before September 30, 2021, Annualized EBITDAX of the Borrower for such Test Period).

"Consolidated Total Assets" shall mean the total assets of the Borrower and its Restricted Subsidiaries, determined on a consolidated basis in accordance with GAAP, as shown on the most recent consolidated balance sheet of the Borrower delivered pursuant to Section 9.1(a) or (b) (and, in the case of any determination relating to any incurrence of Indebtedness or any Investment or other acquisition, on a *pro forma* basis including any property or assets being acquired in connection therewith).

"Consolidated Total Debt" shall mean, as of any date of determination, (a) the sum of (without duplication) all Indebtedness of the types described in clauses (a) and (b) (other than intercompany Indebtedness owing to the Borrower or any Subsidiary), clause (d) (but, in the case of clause (d), only to the extent of any unreimbursed drawings under any letter of credit that has not been cash collateralized), clause (e), clauses (h) through (i) and clause (k) (but, in the case of clause (k) only to the extent of Guarantee Obligations with respect to Indebtedness otherwise included in this definition of "Consolidated Total Debt") of the definition thereof, in each case actually owing by the Borrower and the Subsidiaries on such date and to the extent appearing on the balance sheet of the Borrower determined on a consolidated basis in accordance with GAAP, minus (b) the aggregate amount of all Unrestricted Cash and cash equivalents on the balance sheet of the Borrower and the Grantors as of such date; *provided* that (i) clause (a) above shall not include Indebtedness (A) in respect of letters of credit, bank guarantees and performance or similar bonds except to the extent of unreimbursed amounts thereunder and (B) of Unrestricted Subsidiaries and (ii) the amount of Unrestricted Cash and cash equivalents deducted pursuant to clause (b) above shall not exceed $100,000,000.

"Consolidated Total Net Leverage Ratio" shall mean, as of any date of determination, the ratio of (a) Consolidated Total Debt as of the last day of the most recent Test Period to (b) Consolidated EBITDAX of the Borrower for such Test Period (or in the case of fiscal quarters ending on or before September 30, 2021, Annualized EBITDAX of the Borrower for such Test Period).

"Contractual Requirement" shall have the meaning provided in Section 8.3.

"Controlled Account" shall mean a Deposit Account, a Securities Account or a Commodity Account that is subject to a Deposit Account Control Agreement, a Securities Account Control Agreement or a Commodity Account Control Agreement, as the case may be.

"Corresponding Tenor" shall mean, with respect to any Available Tenor, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

"Covered Entity" shall mean any of the following:

(a) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(b) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(c) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Covered Party" shall have the meaning provided in Section 13.25.

"Credit Documents" shall mean this Agreement, the Guarantee, the Security Documents, each Letter of Credit and any Notes issued by the Borrower to a Lender under this Agreement.

"Credit Event" shall mean and include the making (but not the conversion or continuation) of a Loan and the issuance of a Letter of Credit.

"Credit Party" shall mean each of the Borrower and the Grantors.

"Cure Amount" shall have the meaning provided in Section 11.13(a).

"Cure Deadline" shall have the meaning provided in Section 11.13(a).

"Cure Right" shall have the meaning provided in Section 11.13(a).

"Current Ratio" shall mean, as of any date of determination, the ratio of (a) Consolidated Current Assets to (b) Consolidated Current Liabilities.

"Current Ratio Covenant" shall mean the covenant of the Borrower set forth in Section 10.11(b).

"Daily Simple SOFR" shall mean, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for syndicated business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.

"Debtor Relief Laws" shall mean the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"Debtors" shall have the meaning provided in the recitals to this Agreement.

"Default" shall mean any event, act or condition that constitutes an Event of Default or with notice or lapse of time, or both, would constitute an Event of Default.

"Default Rate" shall have the meaning provided in Section 2.8(c).

"Defaulting Lender" shall mean any Lender whose acts or failure to act, whether directly or indirectly, cause it to meet any part of the definition of "Lender Default".

"Deposit Account" shall mean any checking or other demand deposit account maintained by the Credit Parties, including any "deposit accounts" under Article 9 of the UCC. All funds in such Deposit Accounts (other than Excluded Accounts) shall be conclusively presumed to be Collateral and proceeds of

Collateral and the Agents and the Lenders shall have no duty to inquire as to the source of the amounts on deposit in the Deposit Accounts.

"Deposit Account Control Agreement" shall have the meaning provided in Section 9.17.

"DIP Facilities" shall have the meaning provided in the recitals to this Agreement.

"Dispose" or "Disposed of" shall have a correlative meaning to the defined term of "Disposition".

"Disposition" shall have the meaning provided in Section 10.4.

"Disqualified Stock" shall mean any Equity Interest that, by its terms (or by the terms of any security or other Equity Interests into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition (a) matures or is mandatorily redeemable (other than solely for Qualified Equity Interests), pursuant to a sinking fund obligation, scheduled redemption or otherwise (except as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior Payment in Full, (b) is redeemable at the option of the holder thereof (other than solely for Qualified Equity Interests and other than as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior Payment in Full, (c) provides for the scheduled payments of dividends in cash, or (d) is or becomes convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Stock, in the case of each of clauses (a), (b), (c) and (d), prior to the date that is one hundred eighty one (181) days after the Maturity Date; *provided*, that if such Equity Interests are issued pursuant to any plan for the benefit of future, current or former employees, directors, officers, members of management or consultants of the Borrower or its Restricted Subsidiaries or by any such plan to such employees, directors, officers, members of management or consultants, such Equity Interests shall not constitute Disqualified Stock solely because they may be required to be repurchased by the Borrower or its Restricted Subsidiaries in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's, director's, officer's, management member's or consultant's termination, death or disability; *provided*, *further*, that any Equity Interests held by any future, current or former employee, director, officer, member of management or consultant of the Borrower, any of its Restricted Subsidiaries or any other entity in which the Borrower or a Restricted Subsidiary has an Investment and is designated in good faith as an "affiliate" by the Board of Directors of the Borrower (or the compensation committee thereof), in each case pursuant to any stock subscription or shareholders' agreement, management equity plan or stock option plan or any other management or employee benefit plan or agreement shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Borrower or its Restricted Subsidiaries in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's, director's, officer's, management member's or consultant's termination, death or disability.

"Distressed Person" shall have the meaning provided in the definition of "Lender-Related Distress Event".

"Distributable Free Cash Flow" shall mean, as of any time of determination, an amount equal to (a) Free Cash Flow as of the last day of the most recently ended fiscal quarter (the "Specified Quarter") for which financial statements have been delivered pursuant to clause (a) or (b) of Section 9.1 (such date a "Reporting Date") minus (b) the aggregate amount of the Free Cash Flow Utilizations that occur after the Reporting Date for such Specified Quarter and continuing through such time of determination. For the avoidance of doubt, any amount deducted in calculating Distributable Free Cash Flow as of any time of determination shall be without duplication of amounts deducted in calculating Free Cash Flow for purposes of such calculation of Distributable Free Cash Flow.

"Dollars" and "$" shall mean dollars in lawful currency of the United States of America.

"Domestic Subsidiary" shall mean each Subsidiary of the Borrower that is organized under the laws of the United States or any state thereof, or the District of Columbia.

"Drawing" shall have the meaning provided in Section 3.4(b).

"Early Opt-in Election" shall mean if the then-current Benchmark is USD LIBOR, the occurrence of the following on or after December 31, 2020:

(a) a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding U.S. dollar-denominated syndicated credit facilities in the U.S. syndicated loan market at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and

(b) the joint election by the Administrative Agent and the Borrower to trigger a fallback from USD LIBOR and the provision by the Administrative Agent of written notice of such election to the Lenders.

"ECP" shall mean any Person who qualifies as an "eligible contract participant" under Section 2(e) of the Commodity Exchange Act.

"EEA Financial Institution" shall mean (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" shall mean any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" shall mean any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"EHP" shall mean Elk Hills Power, LLC, a Delaware limited liability company.

"EHP Collateral" shall mean the assets and property of the EHP Entities which constitute collateral under the EHP Notes, including the Equity Interests of EHP and EHP Midco; *provided* that the EHP Collateral shall exclude the Equity Interests of EHP Topco owned by the Credit Parties.

"EHP Discharge Date" shall mean the date on which (i) all Obligations (as defined under the EHP Notes) shall have been paid in full in cash and all other obligations under the loan documents entered into in connection with the EHP Notes shall have been performed (other than (a) those expressly stated to survive termination and (b) contingent obligations as to which no claim has been asserted) and (ii) all Liens securing the EHP Notes shall have been released or terminated.

"EHP Easement" shall mean the easement in substantially the form attached as Exhibit 4.19(a) to the EHP Note Purchase Agreement, as amended or modified in accordance with, and as permitted by, this Agreement.

"EHP Entities" shall mean EHP Topco, EHP Midco, EHP, and their respective Subsidiaries.

"EHP Ground Lease" shall mean the Ground Leases (as defined in the EHP Note Purchase Agreement), as amended or modified in accordance with, and as permitted by, this Agreement.

"EHP LTS Ground Lease" shall mean the ground lease in substantially the form attached as Exhibit 9.15(b) to the EHP Note Purchase Agreement, as amended or modified in accordance with, and as permitted by, this Agreement.

"EHP Midco" shall mean EHP Midco Holding Company, LLC, a Delaware limited liability company.

"EHP Note Purchase Agreement" shall mean that certain Note Purchase Agreement, dated as of the date hereof, by and among EHP Midco, the purchasers described therein and Wilmington Trust, National Association, as collateral agent, as amended, restated, supplemented or otherwise modified from time to time in accordance with, and as permitted by, this Agreement.

"EHP Notes" shall mean those certain notes issued pursuant to the EHP Note Purchase Agreement and the "Note Documents" (as defined therein), in each case, in form and substance reasonably satisfactory to the Arrangers and secured solely pursuant to Section 10.2(s), as may be amended, restated, amended and restated, supplemented, extended, replaced, exchanged, refinanced or otherwise modified from time to time in accordance with, and as permitted by, this Agreement.

"EHP Support Agreement" shall mean that certain Sponsor Support Agreement, dated as of the date hereof, by and among the Borrower, EHP Midco and EHP.

"EHP Topco" shall mean EHP Topco Holding Company, LLC, a Delaware limited liability company.

"Elected Commitment" shall mean, as to each Lender, the amount set forth opposite such Lender's name on Schedule 1.1(a) under the caption "Elected Commitment", as the same may be increased, reduced or terminated from time to time in connection with an optional increase, reduction or termination of the Aggregate Elected Commitment Amount pursuant to Section 2.16(b) or (c).

"Elected Commitment Increase Certificate" shall have the meaning given to such term in Section 2.16(c)(ii)(F).

"Engineering Reports" shall have the meaning provided in Section 2.14(c)(i).

"Environmental Claims" shall mean any and all written actions, suits, orders, decrees, demands, demand letters, claims, liens, notices of liability, noncompliance, violation or proceedings arising under or based upon any Environmental Law or any Environmental Permit (hereinafter, "Claims"), including, without limitation, (i) any and all Claims by any Governmental Authority for enforcement, investigation, cleanup, removal, response, remedial, reclamation, closure, plugging and abandonment, or other actions, damages, or civil or criminal sanctions pursuant to any applicable Environmental Law and (ii) any and all Claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief regarding the presence, Release or threatened Release of Hazardous Materials or arising

from alleged injury or threat of injury to health or safety (to the extent relating to human exposure to Hazardous Materials), or the environment including, without limitation, air, surface water, groundwater, land surface and subsurface strata and natural resources such as wetlands, or pertaining to alleged public or private nuisance.

"Environmental Law" shall mean any applicable federal, state, foreign or local statute, law, rule, regulation, ordinance, code, guidance, and common law now or hereafter in effect and in each case as amended, and any binding judicial or administrative interpretation thereof, including any binding judicial or administrative order, consent decree or judgment, as well as any permit or approval, relating to the pollution or protection of the environment, including, without limitation, ambient or indoor air, surface water, groundwater, greenhouse gases or climate change, endangered species, land surface and subsurface strata and natural resources such as wetlands, or human health or safety (to the extent relating to human exposure to hazardous materials or any Release or recycling of, or exposure to, any pollutants, contaminants or chemicals or any toxic or otherwise hazardous substances, materials or wastes).

"Environmental Permit" shall mean any permit, approval, identification number, registration, license or other authorization required under any applicable Environmental Law.

"Equity Interests" of any person shall mean any and all shares, interests, rights to purchase or otherwise acquire, warrants, options, participations or other equivalents of or interests in (however designated) equity or ownership of such person, including any preferred stock, any limited or general partnership interest and any limited liability company membership interest, and any securities or other rights or interests convertible into or exchangeable for any of the foregoing, excluding any debt security that is convertible or exchangeable into any Equity Interests; *provided* that any instrument evidencing Indebtedness convertible or exchangeable into Equity Interests, whether or not such debt securities include any right of participation with Equity Interests, shall not be deemed to be Equity Interests unless and until such instrument is so converted or exchanged.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder.

"ERISA Affiliate" shall mean each person (as defined in Section 3(9) of ERISA) that together with any Credit Party would be deemed to be a "single employer" within the meaning of Section 4001(b)(1) of ERISA or Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

"ERISA Event" shall mean (a) a Reportable Event with respect to a Pension Plan; (b) a withdrawal by the Borrower or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) the failure of a Credit Party or any ERISA Affiliate to make by its due date a required installment under Section 430(j) of the Code with respect to any Pension Plan; (d) a failure to satisfy the minimum funding standard under Section 412 of the Code or Section 302 of ERISA, or the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard, in each case with respect to a Pension Plan, whether or not waived, or a failure to make any required contribution to a Multiemployer Plan; (e) a complete or partial withdrawal by a Credit Party or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is insolvent within the meaning of Title IV of ERISA or is in endangered or critical status, within the meaning of Section 305 of ERISA; (f) the filing of a notice of intent to terminate, the treatment of a Pension Plan amendment as a termination under Section 4041 or 4041A of ERISA, respectively, or the commencement of proceedings by the PBGC to terminate a Pension Plan; (g) the appointment of a trustee to administer, any Pension Plan; (h) the imposition of any liability

under Title IV of ERISA, including the imposition of a lien under Section 412 or 430(k) of the Code or Section 303 or 4068 of ERISA on any property (or rights to property, whether real or personal) of a Credit Party or any ERISA Affiliate, but excluding PBGC premiums due but not delinquent under Section 4007 of ERISA, upon such Credit Party or any ERISA Affiliate; (i) a determination that any Pension Plan is, or is expected to be, in "at-risk" status (within the meaning of Section 303(i)(4)(A) of ERISA or Section 430(i)(4)(A) of the Code) or (j) the occurrence of a non-exempt prohibited transaction with respect to any Pension Plan maintained or contributed to by any Credit Party (within the meaning of Section 4975 of the Code or Section 406 of ERISA) which could reasonably be excepted to result in material liability to such Credit Party.

"EU Bail-In Legislation Schedule" shall mean the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Event of Default" shall have the meaning provided in Section 11.

"Excess Cash" shall mean, as of any date of determination, cash and cash equivalents of the Borrower and its Restricted Subsidiaries other than (a) any cash allocated for, reserved or otherwise set aside to pay royalty obligations, working interest obligations, vendor payments, suspense payments, similar payments as are customary in the oil and gas industry, severance and ad valorem taxes, payroll, payroll taxes, other taxes, and employee wage and benefit payment obligations of the Borrower or any Restricted Subsidiary then due and owing (or to be due and owing within five (5) days of such date), in each case other than such payments that would be due and owing in connection with or in contemplation of the commencement of proceedings under Debtor Relief Laws, and for which the Borrower or such Restricted Subsidiary either (x) has issued checks or has initiated wires or ACH transfers or (y) reasonably anticipates in good faith that it will issue checks or initiate wires or ACH transfers within five (5) days of such date, (b) any cash allocated for, reserved or otherwise set aside to pay other amounts permitted to be paid by the Borrower or its Restricted Subsidiaries in accordance with this Agreement and other Credit Documents due and owing as of such date (or to be due and owing within five (5) days of such date), in each case other than such payments that would be due and owing in connection with or in contemplation of the commencement of proceedings under Debtor Relief Laws, to Persons who are not Affiliates of the Credit Parties and for which obligations the Borrower or any of its Restricted Subsidiaries have (x) issued checks or have initiated wires or ACH transfers or (y) reasonably anticipates in good faith that it will issue checks or initiate wires or ACH transfers within five (5) days of such date, as certified by the Borrower in any Notice of Borrowing with sufficient detail as is reasonably acceptable to the Agent, (c) any cash of the Borrower and its Restricted Subsidiaries constituting pledges and/or deposits securing any binding and enforceable purchase and sale agreement with any Persons who are not Affiliates of the Credit Parties, in each case to the extent permitted by this Agreement, (d) cash deposited with the Issuing Bank to cash collateralize Letters of Credit, (e) up to $20,000,000 of cash held by the EHP Entities and (f) cash deposited to cash collateralize previously issued letters of credit, as permitted under Sections 10.1(z) and 10.2(d).

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

"Excluded Accounts" shall mean (a) each account all of the deposits in which consist of amounts utilized solely to fund payroll, employee benefit or tax obligations of the Borrower and its Restricted Subsidiaries, (b) fiduciary accounts, (c) segregated accounts of the Borrower and the Grantors solely holding royalty obligations owed to a person other than the Borrower or a Guarantor, suspense funds, royalty payments, net profits interest payments and other similar payments constituting property of a third party, (d) escrow or trust accounts pending litigation or other settlement claims, (e) accounts solely holding purchase price deposits held in escrow pursuant to a purchase and sale agreement with a third party containing customary provisions regarding the payment and refunding of such deposits, (f) accounts solely

holding deposits for the payment of professional fees in connection with the Chapter 11 Case, (g) each account that constitutes EHP Collateral, (h) accounts solely holding cash collateral to secure letters of credit permitted pursuant to Sections 10.1(z) and 10.2(d) and (i) other accounts selected by the Borrower and its Restricted Subsidiaries so long as the average daily maximum balance in any such other account over a 30-day period does not at any time exceed $5,000,000; *provided* that the aggregate daily maximum balance for all such bank accounts excluded pursuant to this clause (i) on any day shall not exceed $10,000,000.

"Excluded Assets" shall have the meaning assigned to such term in the Collateral Agreement.

"Excluded Equity Interests" shall mean (a) any Equity Interests with respect to which, in the reasonable judgment of the Administrative Agent (confirmed in writing by notice to the Borrower), the cost or other consequences of pledging such Equity Interests in favor of the Secured Parties under the Security Documents shall be excessive in view of the benefits to be obtained by the Secured Parties therefrom, (b) any Equity Interests to the extent the pledge thereof would be prohibited by any Requirement of Law, (c) in the case of any Equity Interests of any Subsidiary to the extent the pledge of such Equity Interests is prohibited by Contractual Requirements existing on the Closing Date or at the time such Subsidiary is acquired (*provided* that such Contractual Requirements have not been entered into in contemplation of this Agreement or such Subsidiary being acquired), any Equity Interests of each such Subsidiary to the extent (A) that a pledge thereof to secure the Obligations is prohibited by such Contractual Requirement (other than customary non-assignment provisions which are ineffective under the UCC or other applicable Requirements of Law), (B) such Contractual Requirement prohibits such a pledge without the consent of any other party other than if (1) such other party is a Credit Party or a Subsidiary, (2) such consent is solely contingent or conditioned upon a commercially reasonable undertaking by the Borrower or any Subsidiary which is in its reasonable control or (3) such consent has been obtained (it being understood that this clause (3) shall not be deemed to obligate the Borrower or any Subsidiary to obtain any such consent) and only for so long as such Contractual Requirement is in effect, or (C) a pledge thereof to secure the Obligations would give any other party (other than a Credit Party or a Subsidiary) to such Contractual Requirement the right to terminate its obligations thereunder (in each case under clauses (A), (B) and (C), other than customary non-assignment provisions that are ineffective under the UCC or other applicable Requirement of Law), (d) the Equity Interests of any Unrestricted Subsidiary, (e) the Equity Interests set forth on Schedule 1.1(b) which have been identified on or prior to the Closing Date in writing to the Administrative Agent by an Authorized Officer of the Borrower and agreed to by the Administrative Agent, (f) the Equity Interests in each EHP Entity (other than of EHP Topco; it being understood and agreed that the Equity Interests in EHP Topco shall not be Excluded Equity Interests under this Agreement or any other Collateral Document), in each case solely prior to the EHP Discharge Date, (g) Margin Stock and (h) solely in the case of any pledge of Equity Interests of any CFC or FSHCO to secure the Obligations, any Equity Interests in excess of 65% of the outstanding Voting Equity of such CFC or FSHCO (such percentages to be adjusted upon any change of law as may be required to avoid adverse U.S. federal income tax consequences to the Borrower or any Subsidiary). Notwithstanding the foregoing, the Equity Interests of any Production Sharing Entity that is the direct owner of any Production Sharing Contract shall not be Excluded Equity Interests.

"Excluded Subsidiary" shall mean (a) each Immaterial Subsidiary, for so long as any such Subsidiary constitutes an Immaterial Subsidiary pursuant to the terms hereof, (b) each Restricted Subsidiary that is not a Wholly owned Subsidiary (for so long as such Subsidiary remains a non-wholly owned Restricted Subsidiary); *provided*, that a Material Subsidiary shall not be excluded pursuant to this clause (b), (c) each Restricted Subsidiary that is prohibited by any applicable Contractual Requirement (other than customary non-assignment provisions that are ineffective under the UCC or other applicable Requirement of Law or any term, covenant, condition or provision that would be waived by the Borrower or its Affiliates) not entered into in contemplation of this Agreement or of such Subsidiary becoming a Subsidiary or a Restricted Subsidiary or Requirement of Law from guaranteeing or granting Liens to secure the Obligations

at the time such Person becomes a Subsidiary or Restricted Subsidiary, and for so long as such restriction is in effect and was not entered into in contemplation of this Agreement or such Person becoming a Subsidiary or a Restricted Subsidiary or that would require a consent, approval, license or authorization of a Governmental Authority to guarantee or grant Liens to secure the Obligations at the time such Person becomes a Subsidiary or a Restricted Subsidiary (unless such consent, approval, license or authorization has been received), (d) each EHP Entity, but solely prior to the EHP Discharge Date, (e) unless it would not be reasonably expected to result in a material additional tax liability to the Borrower or its Subsidiaries, (i) any FSHCO, (ii) any direct or indirect Subsidiary of the Borrower that is a CFC and (iii) any Domestic Subsidiary that is a direct or indirect subsidiary of a Foreign Subsidiary of the Borrower that is a CFC and (f) each Unrestricted Subsidiary.

"Excluded Swap Obligation" shall mean with respect to any Guarantor, any Hedging Obligation if, and to the extent that, and only for so long as, all or a portion of the guarantee of such Guarantor of, or the grant by such Guarantor of a security interest to secure, as applicable, such Hedging Obligation (or any guarantee thereof) is or becomes illegal or unlawful under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) or any other applicable Requirement of Law. If a Hedging Obligation arises under a master agreement governing more than one Hedging Agreement, such exclusion shall apply only to the portion of such Hedging Obligation that is attributable to Hedge Agreements for which such guarantee or security interest is or becomes illegal.

"Excluded Taxes" shall mean any (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 13.7) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 5.4 amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such recipient's failure to comply with Section 5.4(f) and (d) any withholding Taxes imposed under FATCA, in each case of the foregoing clauses (a)-(d), which Taxes are imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient..

"Existing Letters of Credit" shall mean the letters of credit described on Schedule 1.1(d) that are outstanding under the DIP Facilities immediately prior to giving effect to the Closing Date and which, on the Closing Date, shall be deemed issued under this Agreement.

"Expected Cure Amount" shall have the meaning provided in Section 11.13(a)(iii).

"Facility" shall mean this Agreement and the Commitments and the extensions of credit made hereunder.

"Fair Market Value" shall mean, with respect to any asset or group of assets on any date of determination, the value of the consideration obtainable in a Disposition of such asset at such date of determination assuming a Disposition by a willing seller to a willing purchaser dealing at arm's length and arranged in an orderly manner over a reasonable period of time having regard to the nature and characteristics of such asset, as reasonably determined by the Borrower in good faith.

"Farm-In Agreement" shall mean an agreement, joint venture or contractual relationship whereby a Person agrees, among other things, to pay all or a share of the drilling, completion or other expenses of one or more wells or perform the drilling, completion or other operation on such well or wells as all or a part of the consideration provided in exchange for an ownership interest in an Oil and Gas Property or which has been formed for the purpose of exploring for and/or developing Oil and Gas Properties, where each of the parties thereto has either contributed or agreed to contribute cash, services, Oil and Gas Properties, other assets, or any combination of the foregoing.

"Farm-Out Agreement" shall mean a Farm-In Agreement, viewed from the standpoint of the party that grants to another party the right to earn an ownership interest in an Oil and Gas Property.

"FATCA" shall mean Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

"Federal Funds Effective Rate" shall mean, for any day, the weighted average of the per annum rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day, as published on the next succeeding Business Day on the Federal Reserve Bank of New York's Website or, (a) if such rate is not so published for any date that is a Business Day, the Federal Funds Effective Rate for such day shall be such rate on such transactions on the immediately preceding Business Day as so published on the next succeeding Business Day and if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate charged to the Administrative Agent on such day on such transactions as determined by the Administrative Agent; provided that if the Federal Funds Effective Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"Federal Reserve Bank of New York's Website" shall mean the website of the NYFRB at http://www.newyorkfed.org, or any successor source.

"Financial Officer" of any Person shall mean the Chief Financial Officer, Chief Accounting Officer, principal accounting officer, Controller, Treasurer or Assistant Treasurer of such Person.

"Financial Performance Covenants" shall mean the covenants of the Borrower set forth in Section 10.11.

"Flood Documentation" shall mean, with respect to each parcel of Material Real Property, (i) a completed "life-of-loan" Federal Emergency Management Agency standard flood hazard determination, together with a notice about Special Flood Hazard Area status and flood disaster assistance duly executed by the applicable Credit Party relating thereto (to the extent such real property is located in a Special Flood Hazard Area) and (ii) evidence of flood insurance as required by Section 9.11 and any analogous provisions of the Security Documents, each of which shall (A) be endorsed or otherwise amended to include a "standard" or "New York" lender's loss payable or mortgagee endorsement (as applicable), (B) name the Collateral Agent, on behalf of the Secured Parties, as additional insured and loss payee/mortgagee, (C) identify the address of each property located in a Special Flood Hazard Area, the applicable flood zone designation and the flood insurance coverage and deductible relating thereto and (D) be otherwise in form and substance reasonably satisfactory to the Administrative Agent.

"Flood Insurance" shall mean for any owned real property located in a Special Flood Hazard Area, Federal Flood Insurance or private insurance that meets or exceeds the requirements set forth by FEMA in its "Mandatory Purchase of Flood Insurance Guidelines".

"Flood Insurance Regulations" shall mean (a) the National Flood Insurance Act of 1968 as now or hereafter in effect or any successor statute thereto, (b) the Flood Disaster Protection Act of 1973 as now or hereafter in effect or any successor statute thereto, (c) the National Flood Insurance Reform Act of 1994 (amending 42 USC § 4001, et seq.), as the same may be amended or recodified from time to time or any successor statute thereto, (d) the Flood Insurance Reform Act of 2004 as now or hereafter in effect or any successor statute thereto, and (e) the Biggert-Waters Flood Insurance Reform Act of 2012, as now or hereafter in effect or any successor statute thereto, together with all statutory and regulatory provisions consolidating, amending, replacing, supplementing, implementing or interpreting any of the foregoing, as amended or modified from time to time.

"Floor" shall mean the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to USD LIBOR.

"Foreign Lender" shall mean a Lender that is not a U.S. Person.

"Foreign Plan" shall mean any employee benefit plan, program, policy, arrangement or agreement maintained or contributed to by the Borrower or any of its Subsidiaries with respect to employees employed outside the United States.

"Foreign Subsidiary" shall mean each Subsidiary of the Borrower that is not a Domestic Subsidiary.

"Free Cash Flow" shall mean, for any fiscal quarter, Consolidated EBITDAX of the Borrower and its Restricted Subsidiaries minus the increase (or plus the decrease) in non-cash Working Capital (without duplication of any working capital changes already considered elsewhere); however, the Available Commitment shall be excluded from Consolidated Current Assets) from the previous fiscal quarter minus the sum, in each case without duplication, of the following amounts in respect of the Borrower and its Restricted Subsidiaries for such period: (a) voluntary and scheduled cash prepayments and repayments of Indebtedness (other than the Loans) which cannot be reborrowed pursuant to the terms of such Indebtedness (other than any repayments of Other Debt and other transactions contemplated by Section 10.7(a)(iii)), (b) cash paid for capital expenditures, (c)(i) cash payments for amounts described in clauses (i) and (ii) of the definition of Consolidated Interest Expense minus (ii) amounts described in clause (iii) of the definition of Consolidated Interest Expense, (d) income and franchise taxes paid in cash, (e) exploration expenses paid in cash, (f)(i) Investments made in cash during such period (other than those made in reliance on Section 10.5(i)) and (ii) Restricted Payments made in cash during such period (other than those made in reliance on Section 10.6(i)), (g) Permitted EHP Payments made during such period and (h) to the extent not included in the foregoing and added back in the calculation of Consolidated EBITDAX, any other cash charge that reduces the earnings of the Borrower and its Restricted Subsidiaries, except (i) in the case of each of the forgoing clauses in this definition, to the extent financed with proceeds of any Qualified Equity Interests (excluding any Cure Amount) and (ii) in the case of the foregoing clauses (a), (b), (e), (f)(i) (except to the extent made in reliance on Section 10.5(k)) and (g), to the extent financed with long term Indebtedness permitted in the Credit Documents (other than the Loans), plus aggregate Net Cash Proceeds from Dispositions not required to be applied to repay the Loans under Section 5.2 so long as no Loans are outstanding at the time of determination of "Free Cash Flow".

"Free Cash Flow Utilizations" shall mean each of the following transactions that occur in reliance on clause (d) of the definition of "Restricted Payment Conditions": (a) Investments made in reliance on

Section 10.5(i), (b) Restricted Payments made in reliance on Section 10.6(i) and (c) repayments of Other Debt and other transactions contemplated by Section 10.7(a)(iii).

"Fronting Fee" shall have the meaning provided in Section 4.1(c).

"FSHCO" shall mean any Domestic Subsidiary substantially all of the assets of which constitute the Equity Interests of CFCs.

"Fund" shall mean any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course.

"GAAP" shall mean generally accepted accounting principles in the United States of America, as in effect from time to time; *provided*, *however*, that (i) if the Borrower notifies the Administrative Agent that the Borrower requests that any provision hereof be applied in a way to eliminate the effect of any change occurring after the Closing Date in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Borrower that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith, (ii) GAAP shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any election under Accounting Standards Codification Topic No. 825 (or any other Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of the Borrower or any of its Subsidiaries at "fair value," as defined therein, and Indebtedness shall be measured at the aggregate principal amount thereof, and (iii) the accounting for operating leases and capital leases shall be determined in compliance with the definition of "Capitalized Lease".

"Governmental Authority" shall mean any nation, sovereign or government, any state, province, city, territory or other political subdivision thereof, and any entity or authority exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, including a central bank or stock exchange and any port authority.

"Granting Lender" shall have the meaning provided in Section 13.6(g).

"Grantors" shall mean the Borrower, each Guarantor and each Production Sharing Entity.

"Guarantee" shall mean the Guarantee made by the Borrower and any Guarantor in favor of the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit C.

"Guarantee Obligations" shall mean, as to any Person, any obligation of such Person guaranteeing or intended to guarantee any Indebtedness of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including any obligation of such Person, whether or not contingent, (a) to purchase any such Indebtedness or any property constituting direct or indirect security therefor, (b) to advance or supply funds (i) for the purchase or payment of any such Indebtedness or (ii) to maintain working capital or equity capital of the primary obligor or otherwise to maintain financial condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness, (c) to purchase property, securities or services primarily for the purpose of assuring the owner of any such Indebtedness of the ability of the primary obligor to make payment of such Indebtedness or (d) otherwise to assure or hold harmless the owner of such Indebtedness against loss in respect thereof; *provided*, *however*, that the term "Guarantee Obligations" shall not include endorsements of instruments for deposit or collection in the ordinary course

of business or customary and reasonable indemnity obligations in effect on the Closing Date or entered into in connection with any acquisition or Disposition of assets permitted under this Agreement (other than such obligations with respect to Indebtedness). The amount of any Guarantee Obligation shall be deemed to be an amount equal to the stated or determinable amount of the Indebtedness in respect of which such Guarantee Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by such Person in good faith.

"Guarantors" shall mean (a) each Restricted Subsidiary listed on Schedule 1.1(c) that becomes a party to the Guarantee on the Closing Date (except to the extent such subsidiary is released from its Guarantee in accordance with the terms hereof); provided that, for the avoidance of doubt, each Restricted Subsidiary listed on Schedule 1.1(c) shall be required to become a party to the Guarantee on the Closing Date (other than (x) an Excluded Subsidiary or (y) a Production Sharing Entity for so long as such Subsidiary is party to a Production Sharing Contract (except, in each case, to the extent provided below)) and (b) each other Restricted Subsidiary (other than (x) an Excluded Subsidiary or (y) a Production Sharing Entity for so long as such Subsidiary is party to a Production Sharing Contract (except, in each case, to the extent provided below)) that becomes a party to the Guarantee after the Closing Date pursuant to Section 9.11 or otherwise; *provided* that, for the avoidance of doubt, the Borrower in its sole discretion may cause any Restricted Subsidiary that is not required to be a Guarantor hereunder or pursuant to the Security Documents to provide a Guarantee by causing such Restricted Subsidiary to execute a Guarantee and such Restricted Subsidiary shall be a Guarantor and Credit Party for all purposes hereunder except to the extent released from such Guarantee in accordance with the terms hereof.

"Hazardous Materials" shall mean (a) any petroleum or petroleum products, natural gas or natural gas liquids, radioactive materials, friable asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, and radon gas and (b) any chemicals, materials, substances, or wastes defined as or included in the definition of or otherwise classified or regulated as "hazardous substances", "hazardous waste", "hazardous materials", "extremely hazardous waste", "restricted hazardous waste", "toxic substances", "toxic pollutants", "contaminants", or "pollutants", or words of similar import, under any applicable Environmental Law or that would otherwise reasonably be expected to result in liability under any Environmental Law.

"Hedge Agreements" shall mean (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, future contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, total return swap, credit spread transaction, repurchase transaction, reserve repurchase transaction, securities lending transaction, weather index transaction, spot contracts, fixed-price physical delivery contracts with a tenor over 90 days, whether or not exchange traded, or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., or any International Foreign Exchange Master Agreement (any such master agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement. Notwithstanding the foregoing, agreements or obligations to physically sell any commodity at any index-based price shall not be considered Hedge Agreements.

"Hedge Bank" shall mean any Person that either (a) at the time it entered into a Secured Hedge Agreement or a Cash Management Agreement, as applicable, in its capacity as a party thereto, (b) on the

Closing Date or (c) at any time after it has entered into a Secured Hedge Agreement or a Cash Management Agreement, as applicable, in its capacity as a party thereto, is an Agent, Lender or any Affiliate of an Agent or Lender.

"Hedging Obligations" shall mean, with respect to any Person, the obligations of such Person under Hedge Agreements.

"Highest Lawful Rate" shall mean, with respect to each Lender, the maximum nonusurious interest rate, if any, that at any time or from time to time may be contracted for, taken, reserved, charged or received on the Loans under laws applicable to such Lender which are presently in effect or, to the extent allowed by law, under such applicable laws which may hereafter be in effect and which allow a higher maximum nonusurious interest rate than applicable laws allow as of the date hereof.

"Hydrocarbon Interests" shall mean all rights, titles, interests and estates now or hereafter acquired in and to oil and gas leases, oil, gas and mineral leases, or other liquid or gaseous hydrocarbon leases, mineral fee interests, overriding royalty and royalty interests, net profit interests and production payment interests, including any reserved or residual interests of whatever nature.

"Hydrocarbons" shall mean oil, gas, casinghead gas, drip gasoline, natural gasoline, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons and all products refined or separated therefrom.

"ICC" shall have the meaning provided in Section 3.8.

"ICC Rule" shall have the meaning provided in Section 3.8.

"Immaterial Subsidiary" shall mean any Subsidiary that is not a Material Subsidiary.

"Impacted Interest Period" shall have the meaning assigned to such term in the definition of "LIBOR Rate."

"Indebtedness" of any Person shall mean (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments, (c) the deferred purchase price of assets or services that in accordance with GAAP would be included as a liability on the balance sheet of such Person (other than (i) any earn-out obligation until such obligation becomes a liability on the balance sheet of such Person in accordance with GAAP, and(ii) obligations resulting under firm transportation contracts, supply agreements, take or pay contracts (including in connection with the purchase of power from solar power projects) or other similar agreements entered into in the ordinary course of business), (d) the maximum amount (after giving effect to any prior drawings or reductions which may have been reimbursed) of all outstanding letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds, performance bonds and similar instruments issued or created by or for the account of such Person, (e) the principal component of all obligations in respect of Capitalized Leases of such Person, (f) net Hedging Obligations of such Person, (g) obligations to deliver commodities, goods or services, including Hydrocarbons, in consideration of one or more advance payments received by such Person, made more than one (1) month in advance of the month in which the commodities, good or services are to be delivered, other than obligations relating to net oil, natural gas liquids or natural gas balancing arrangements arising in the ordinary course of business, (h) all indebtedness (excluding prepaid interest thereon) of any other Person secured by any Lien on any property owned by such Person, whether or not such indebtedness has been assumed by such Person or is limited in recourse, (i) the amount of all obligations of such Person with respect to the redemption, repayment or other repurchase in respect of Disqualified Stock (excluding accrued dividends that have not increased the liquidation preference of such Disqualified Stock), (j) the undischarged balance of any Production

Payments and Reserve Sales created by such Person or for the creation of which such Person directly or indirectly received payment and (k) without duplication, all Guarantee Obligations of such Person in respect of the items described in clauses (a) through (j) above; *provided* that Indebtedness shall not include (i) trade and other ordinary-course payables (including payroll) and accrued expenses (which are not more than 90 days past the due date of payment unless the subject of a good faith dispute), (ii) deferred or prepaid revenues, (iii) purchase price holdbacks in respect of a portion of the purchase price of an asset to satisfy warranty or other unperformed obligations of the respective seller, (iv) in the case of the Borrower and its Restricted Subsidiaries, all intercompany Indebtedness made in the ordinary course of business, (v) guaranties, bonds and surety obligations incurred in the ordinary course of business and required by governmental requirements in connection with the exploration, development or operation of Oil and Gas Properties, (vi) in-kind obligations relating to net oil, natural gas liquids or natural gas balancing positions arising in the ordinary course of business, (vii) any obligation in respect of a Farm-In Agreement or similar arrangement whereby such Person agrees to pay all or a share of the drilling, completion or other expenses of an exploratory or development well (which agreement may be subject to a maximum payment obligation, after which expenses are shared in accordance with the working or participation interest therein or in accordance with the agreement of the parties) or perform the drilling, completion or other operation on such well in exchange for an ownership interest in an oil or gas property, (viii) operating leases or sale and leaseback transactions (except any resulting obligations under any Capitalized Lease), (ix) any Guarantee Obligations incurred in the ordinary course of business to the extent not guaranteeing Indebtedness, (x) prepayments for gas and crude oil production not in excess of $20,000,000 in the aggregate at any time outstanding and (xi) obligations to deliver commodities or pay royalties or other payments in connection with and obligations arising from net profits interests, working interests, overriding, non-participating or other royalty interests or similar real property interests. The amount of any net Hedging Obligations on any date shall be deemed to be the Swap Termination Value thereof as of such date. The amount of Indebtedness of any Person for purposes of clause (g) above shall be deemed to be equal to the lesser of (i) the aggregate unpaid amount of such Indebtedness and (ii) the fair market value of the property encumbered thereby as determined by such Person in good faith. Notwithstanding anything in this definition to the contrary, Indebtedness shall be calculated without giving effect to the effects of Financial Accounting Standards Board Accounting Standards Codification 815 and related interpretations to the extent such effects would otherwise increase or decrease an amount of Indebtedness for any purpose hereunder as a result of accounting for any embedded derivatives created by the terms of such Indebtedness.

"Indemnified Liabilities" shall have the meaning provided in Section 13.5(b).

"Indemnified Taxes" shall mean (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower or any Guarantor under any Credit Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnitees" shall have the meaning provided in Section 13.5(b).

"Industry Investments" shall mean Investments and/or expenditures made in the ordinary course of, and of a nature that is or shall have become customary in, the Oil and Gas Business as a means of actively engaging therein through agreements, transactions, interests or arrangements that permit one to share risks or costs, comply with regulatory requirements regarding local ownership or satisfy other objectives customarily achieved through the conduct of Oil and Gas Business jointly with third parties, including: (1) ownership interests (directly or through equity) in Oil and Gas Properties or gathering, transportation, processing, or related systems; and (2) Investments and/or expenditures in the form of or pursuant to operating agreements, processing agreements, Farm-In Agreements, Farm-Out Agreements, development agreements, area of mutual interest agreements, unitization agreements, pooling arrangements, joint bidding agreements, service contracts, joint venture agreements, partnership

agreements (whether general or limited), and other similar agreements (including for limited liability companies) with third parties.

"Information" shall have the meaning provided in Section 8.8(a).

"Initial Reserve Report" shall mean the reserve engineers' report evaluating the Proved Developed Producing Reserves of the Credit Parties prepared by the internal engineers of the Borrower as of December 1, 2020, delivered to the Administrative Agent prior to the date hereof.

"Intercompany Note" shall mean a promissory note substantially in the form of Exhibit K hereto.

"Interest Period" shall mean, with respect to any Loan, the interest period applicable thereto, as determined pursuant to Section 2.9.

"Interim Redetermination" shall have the meaning provided in Section 2.14(b).

"Interpolated Rate" shall have the meaning assigned to such term in the definition of "LIBOR Rate."

"Investment" shall have the meaning provided in Section 10.5.

"Investment Grade Rating" shall mean a rating equal to or higher than Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by S&P, or an equivalent rating by any other rating agency selected by the Borrower.

"IRS" shall mean the United States Internal Revenue Service.

"ISDA Definitions" shall mean the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

"ISP" shall mean, with respect to any Letter of Credit, the "International Standby Practices 1998" published by the Institute of International Banking Law & Practice (or such later version thereof as may be in effect at the time of issuance).

"ISP 98" shall have the meaning provided in Section 3.8.

"Issuer Documents" shall mean, with respect to any Letter of Credit, the Letter of Credit Application, and any other document, agreement and instrument entered into by the applicable Issuing Bank and the Borrower (or any Restricted Subsidiary) or in favor of the applicable Issuing Bank and relating to such Letter of Credit.

"Issuing Bank" shall mean (a) each of Citi, KeyBank National Association, MUFG Union Bank, N.A., Royal Bank of Canada, upon written notice from Mizuho Bank, Ltd. sent to the Administrative Agent and Borrower, Mizuho Bank, Ltd., and, solely with respect to the Existing Letters of Credit, JPMorgan Chase Bank, N.A. and any of their respective Affiliates, (b) those Lenders identified as Issuing Banks on Schedule 1.1(a) hereto and (c) if requested by the Borrower and reasonably acceptable to the Administrative Agent, any other Person who is a Lender at the time of such request and who accepts such appointment (it being understood that, if any such Person ceases to be a Lender hereunder, such Person will remain an Issuing Bank with respect to any Letter of Credit issued by such Person that remained outstanding as of the

date such Person ceased to be a Lender). References herein and in the other Credit Documents to an Issuing Bank shall be deemed to refer to the Issuing Bank in respect of the applicable Letter of Credit or to all Issuing Banks, as the context requires. Any Lender may, from time to time, become an Issuing Bank under this Agreement with the protections and rights afforded to Issuing Banks hereunder by executing a joinder, in a form reasonably satisfactory to (and acknowledged and accepted by) the Administrative Agent and the Borrower, indicating such Lender's "Letter of Credit Commitment" and upon the execution and delivery of any such joinder, such Lender shall be an Issuing Bank for all purposes hereof.

"Junior Capital Transaction" shall mean any issuance, incurrence or sale (as applicable) by (a) a Credit Party or any of their respective Subsidiaries of (i) unsecured Indebtedness for borrowed money, (ii) subordinated Indebtedness for borrowed money or (iii) secured Indebtedness for borrowed money that is secured on a junior basis to the Liens securing the Obligations and subject to a Junior Lien Intercreditor Agreement and (b) a Credit Party of any Equity Interests, including, without limitation, Disqualified Stock; provided that the following shall be excluded from the foregoing: (1) intercompany Indebtedness, (2) any issuance or sale of Equity Interests by the Borrower pursuant to any equity incentive plan or otherwise to any director, officer or employee of the Borrower or any Subsidiary thereof, (3) any conversion or exchange of Indebtedness for Equity Interests and (4) Equity Interests (A) in the form of common stock (or similar equity interests such as ordinary membership interest and ordinary partnership interests) and (B) issued to any Credit Party. Permitted Refinancing Indebtedness shall not constitute a Junior Capital Transaction, except to the extent of the net cash proceeds retained by the Credit Parties and their Subsidiaries after the repayment of any Indebtedness being refinanced and the fees, costs, expenses and premiums (if any) required to be paid in connection therewith.

"Junior DIP Facility" shall have the meaning provided in the recitals to this Agreement.

"Junior Lien" shall mean a Lien on the Collateral that is subordinated to the Liens granted under the Credit Documents pursuant to a Junior Lien Intercreditor Agreement (it being understood that Junior Liens are not required to be *pari passu* with other Junior Liens, and that Indebtedness secured by Junior Liens may have Liens that are senior in priority to, or *pari passu* with, or junior in priority to, other Liens constituting Junior Liens).

"Junior Lien Intercreditor Agreement" shall mean (a) an intercreditor agreement among the Administrative Agent, the Collateral Agent, the Second Lien Agent and the Second Lien Collateral Agent, if any, and acknowledged by the Credit Parties, which agreement shall be in the form attached as Exhibit F and (b) a customary intercreditor agreement in form and substance reasonably acceptable to the Administrative Agent, the Collateral Agent, the Borrower and the Majority Lenders, in the case of each of (a) and (b), as it may be amended, restated, amended and restated, supplemented or otherwise modified from time to time in accordance with, and as permitted by, this Agreement, which agreement shall provide that the Liens on the Collateral securing such Indebtedness shall rank junior to the Liens on the Collateral securing the Obligations.

"L/C Borrowing" shall mean an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Borrowing. All L/C Borrowings shall be denominated in Dollars.

"L/C Maturity Date" shall mean the date that is five (5) Business Days prior to the Maturity Date.

"L/C Obligations" shall mean, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit plus the aggregate of all Unpaid Drawings, including all L/C Borrowings. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14

of the ISP, such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn.

"L/C Participant" shall have the meaning provided in Section 3.3(a).

"L/C Participation" shall have the meaning provided in Section 3.3(a).

"Lender" shall have the meaning provided in the preamble to this Agreement. Unless the context otherwise requires, the term "Lenders" includes the Issuing Banks. For avoidance of doubt, each Additional Lender shall be deemed a "Lender" for purposes of this Agreement and each other Credit Document.

"Lender Default" shall mean (i) the refusal (which may be given verbally or in writing and has not been retracted) or failure of any Lender to make available its portion of any incurrence of Loans or participations in Letters of Credit or reimbursement obligations required to be made by it, which refusal or failure is not cured within one Business Day after the date of such refusal or failure, unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied; (ii) the failure of any Lender to pay over to the Administrative Agent, any Issuing Bank or any other Lender any other amount required to be paid by it hereunder within two (2) Business Days of the date when due; (iii) a Lender has notified the Borrower, the Administrative Agent or any Issuing Bank in writing that it does not intend or expect to comply with any of its funding obligations, or has made a public statement to that effect with respect to its funding obligations under the Facility (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (iv) a Lender has failed, within three (3) Business Days after a written request by the Administrative Agent, to confirm in writing that it will comply with its funding obligations under the Facility (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (iv) upon receipt of such written confirmation by the Administrative Agent and the Borrower) or (v) a Distressed Person has admitted in writing that it is insolvent or such Distressed Person becomes subject to a Lender-Related Distress Event or a Bail-In Action. Any determination by the Administrative Agent that a Lender Default has occurred under any one or more of clauses (i) through (v) above shall be conclusive and binding absent manifest error, and the applicable Lender shall be deemed to be a Defaulting Lender upon delivery of written notice of such determination to the Borrower, each Issuing Bank and each Lender.

"Lender-Related Distress Event" shall mean, with respect to any Lender, that such Lender or any Person that directly or indirectly controls such Lender (each, a "Distressed Person"), as the case may be, is or becomes subject to a voluntary or involuntary case with respect to such Distressed Person under any Debtor Relief Law, or a custodian, conservator, receiver or similar official is appointed for such Distressed Person or any substantial part of such Distressed Person's assets, or such Distressed Person or any Person that directly or indirectly controls such Distressed Person is subject to a forced liquidation, or such Distressed Person makes a general assignment for the benefit of creditors or is otherwise adjudicated as, or determined by any Governmental Authority having regulatory authority over such Distressed Person or its assets to be, insolvent or bankrupt; *provided* that a Lender-Related Distress Event shall not be deemed to have occurred solely by virtue of the ownership or acquisition of any equity interests in any Lender or any Person that directly or indirectly controls such Lender by a Governmental Authority or an instrumentality thereof, so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender.

"Letter of Credit" shall have the meaning provided in Section 3.1 and include, for the avoidance of doubt, the Existing Letters of Credit.

"Letter of Credit Application" shall have the meaning provided in Section 3.2(a).

"Letter of Credit Commitment" shall mean the lesser of (x) $200,000,000, as the same may be reduced from time to time pursuant to Section 3.1 and (y) the Total Commitment; *provided* that the Letter of Credit Commitment with respect to Letters of Credit other than the Existing Letters of Credit shall be allocated to the Issuing Banks in accordance with the following table:

Issuing Bank	Letter of Credit Commitment
Citi	20%
KeyBank National Association	20%
Mizuho Bank, Ltd.	20%
MUFG Union Bank, N.A	20%
Royal Bank of Canada	20%

"Letter of Credit Exposure" shall mean, with respect to any Lender, at any time, the sum of (a) the principal amount of any Unpaid Drawings in respect of which such Lender has made (or is required to have made) payments to the applicable Issuing Bank pursuant to Section 3.4(a) at such time and (b) such Lender's Commitment Percentage of the Letters of Credit Outstanding at such time (excluding the portion thereof consisting of Unpaid Drawings in respect of which the Lenders have made (or are required to have made) payments to the applicable Issuing Bank pursuant to Section 3.4(a)) minus the amount of cash or deposit account balances held by the Administrative Agent to Cash Collateralize outstanding Letters of Credit and Unpaid Drawings under Section 3.7.

"Letter of Credit Fee" shall have the meaning provided in Section 4.1(b).

"Letters of Credit Outstanding" shall mean, at any time, the sum of, without duplication, (a) the aggregate Stated Amount of all outstanding Letters of Credit and (b) the aggregate principal amount of all Unpaid Drawings in respect of all Letters of Credit.

"Leverage Ratio Covenant" shall mean the covenant of the Borrower set forth in Section 10.11(a).

"LIBOR Loan" shall mean any Loan bearing interest at a rate determined by reference to the Adjusted LIBOR Rate (other than an ABR Loan bearing interest by reference to the Adjusted LIBOR Rate by virtue of clause (c) of the definition of ABR).

"LIBOR Rate" shall mean, subject to the implementation of a Benchmark Replacement in accordance with Section 2.10(d), for any Interest Period with respect to any Borrowing of a LIBOR Loan, the London interbank offered rate as administered by the ICE Benchmark Administration (or any other Person that takes over the administration of such rate) for Dollars for a period equal in length to such Interest Period as displayed on pages LIBOR01 or LIBOR02 of the Reuters Screen that displays such rate (or, in the event that such rate does not appear on a Reuters page or screen, on any successor or substitute page on

such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion; in each case, the "Screen Rate") at approximately 11:00 AM London time, two (2) Business Days prior to the commencement of such Interest Period; *provided* that if the Screen Rate shall not be available at such time for such Interest Period (an "Impacted Interest Period") with respect to Dollars, then the LIBOR Rate shall be the Interpolated Rate at such time; *provided, further* that if the Screen Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement. "Interpolated Rate" shall mean, at any time, the rate per annum (rounded to the same number of decimals as the Screen Rate) determined by the Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the Screen Rate for the longest period (for which that Screen Rate is available in Dollars) that is shorter than the Impacted Interest Period and (b) the Screen Rate for the shortest period (for which that Screen Rate is available in Dollars) that exceeds the Impacted Interest Period, in each case, at such time. Notwithstanding the foregoing, (x) unless otherwise specified in any amendment to this Agreement entered into in accordance with Section 2.10(d), in the event that a Benchmark Replacement with respect to the LIBOR Rate is implemented, then all references herein to the LIBOR Rate shall be deemed references to such Benchmark Replacement and (y) in no event shall the LIBOR Rate (including any Benchmark Replacement with respect thereto) be less than one percent (1.00%).

"Lien" shall mean, with respect to any asset, (a) any mortgage, preferred mortgage, deed of trust, lien, notice of claim of lien, hypothecation, pledge, charge, security interest or similar encumbrance in or on such asset, (b) production payments and the like payable out of Oil and Gas Properties or (c) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset; *provided* that in no event shall an operating lease be deemed to be a Lien under GAAP.

"Liquidity" shall mean, as of any date of determination, the sum of (a) the Available Commitment on such date plus (b) the aggregate amount of Unrestricted Cash and cash equivalents of the Borrower and the Grantors at such date (*provided*, that solely for purposes of Section 6(q), "Liquidity" as of the Closing Date shall include the aggregate amount of Unrestricted Cash and cash equivalents of the Borrower and its Restricted Subsidiaries).

"Loans" shall have the meaning provided in Section 2.1(a).

"Majority Lenders" shall mean, at any date, (a) Non-Defaulting Lenders having or holding a majority of the Adjusted Total Commitment at such date, or (b) if the Total Commitment has been terminated or for the purposes of acceleration pursuant to Section 11, Non-Defaulting Lenders having or holding a majority of the outstanding principal amount of the Loans and Letter of Credit Exposure (excluding the Loans and Letter of Credit Exposure of Defaulting Lenders) in the aggregate at such date.

"Manufactured (Mobile) Home" shall have the meaning assigned to such term in the applicable Flood Insurance Regulation.

"Margin Stock" shall have the meaning assigned to such terms in Regulation U.

"Master Agreement" shall have the meaning assigned to such term in the definition of "Hedge Agreements."

"Material Adverse Effect" shall mean a circumstance or condition affecting the business, assets, operations, properties or financial condition of the Borrower and the Restricted Subsidiaries, taken as a whole, that, individually or in the aggregate, would materially adversely affect (a) the business, assets,

operations, properties or financial condition of the Borrower and the other Credit Parties, taken as a whole (other than as a result of the events leading up to, directly arising from, or direct effects of, the commencement or continuance of the Chapter 11 Cases), (b) the ability of the Borrower and the other Credit Parties, taken as a whole, to perform their material obligations under the Credit Documents, or (c) the rights and remedies of the Agents and the Lenders under the Credit Documents; *provided* that no event, circumstance, development, change, occurrence or effect to the extent resulting from, arising out of, or relating to the COVID-19 pandemic shall be deemed to constitute, or shall be taken into account in determining whether there has been, a Material Adverse Effect to the extent that such event, circumstance, development, change, occurrence or effect, as applicable, has been disclosed in writing to the Administrative Agent and the Lenders.

"Material Indebtedness" shall mean (i) the EHP Notes, (ii) the Second Lien Exit Facility Indebtedness and (iii) any other Indebtedness (other than Loans and Letters of Credit) of any one or more of the Borrower or any Restricted Subsidiary in an aggregate principal amount exceeding $50,000,000.

"Material Real Property" shall mean (a) to the extent required by the Second Lien Exit Facility, all owned or leased surface real property interests or other real property interests of the Borrower or its Restricted Subsidiaries (other than Oil and Gas Properties) with a fair market value, as reasonably estimated by the Borrower, in excess of $5,000,000 individually and $7,500,000 in the aggregate for all such real property interests, but excluding Excluded Assets and (b) any other real property of the Borrower or its Restricted Subsidiaries required to be mortgaged pursuant to the Second Lien Exit Facility.

"Material Subsidiary" shall mean, at any date of determination, (i) each wholly-owned (directly or indirectly) Restricted Subsidiary of the Borrower such that the Consolidated Total Assets of the Immaterial Subsidiaries (when combined with the assets of each such Subsidiary's Subsidiaries, after eliminating intercompany obligations) at the last day of the Test Period for which financial statements have been delivered, or required to be delivered, pursuant to Section 9.1(a) or Section 9.1(b) are equal to or less than 2.50% of the Consolidated Total Assets of the Borrower and the Restricted Subsidiaries (other than the EHP Entities prior to the EHP Discharge Date) at such date, determined in accordance with GAAP, (ii) each Subsidiary of the Borrower that owns Borrowing Base Properties, and (iii) each Subsidiary that guarantees Material Indebtedness of the Borrower and its Restricted Subsidiaries other than the EHP Notes.

"Maturity Date" shall mean the date that is forty-two months after the Closing Date, or, if such anniversary is not a Business Day, the Business Day immediately following such anniversary.

"Maximum Credit Amount" shall mean, as to each Lender, the amount set forth opposite such Lender's name on Schedule 1.1(a) under the caption "Maximum Credit Amounts", as the same may be (a) reduced or terminated from time to time in connection with a reduction or termination of the Aggregate Maximum Credit Amounts pursuant to Section 2.16(b), (b) modified from time to time pursuant to Section 2.16(c) or (c) increased, created or modified from time to time pursuant to any assignment permitted by Section 13.6(b) or amendment or other modification to this Agreement.

"Minimum Borrowing Amount" shall mean, with respect to any Borrowing of Loans, $500,000 (or, if less, the entire remaining Commitments at the time of such Borrowing).

"Minority Investment" shall mean any Person (other than a Subsidiary) in which the Borrower or any Restricted Subsidiary owns Equity Interests.

"Moody's" shall mean Moody's Investors Service, Inc. or any successor by merger or consolidation to its business.

"Mortgage" shall mean a mortgage or a deed of trust, deed to secure debt, trust deed, assignment of as-extracted collateral, fixture filing or other security document entered into by the owner of a Mortgaged Property and the Collateral Agent for the benefit of the Secured Parties in respect of that Mortgaged Property, substantially in the form of Exhibit D (with such changes thereto as may be necessary to account for local law matters) or otherwise in such form as agreed between the Borrower and the Collateral Agent; *provided*, that any Mortgage encumbering solely Oil and Gas Properties shall exclude any Building or Manufactured (Mobile) Home (including, for the avoidance of doubt, the contents thereof) that is located on any such Oil and Gas Property covered by (or intended to be covered by) such Mortgage.

"Mortgaged Property" shall mean, at any time, all Borrowing Base Properties and all Material Real Property with respect to which a Mortgage is required to be granted and/or which are required to be subject to an Acceptable Security Interest under the Credit Documents; *provided*, that Mortgaged Property shall exclude (a) any Building or Manufactured (Mobile) Home (including, for the avoidance of doubt, the contents thereof) that is located on any Real Property covered by (or intended to be covered by) a Mortgage and is located in a Special Flood Hazard Area and with respect to which the Administrative Agent reasonably determines that (i) the estimated value of such Building or Manufactured (Mobile) Home (and the contents thereof) is not (and in the future is not expected to be) material in relation to the aggregate value of the Collateral and (ii) the time or expense of obtaining a grant of a security interest in such Building or Manufactured (Mobile) Home (and the contents thereof) outweighs the benefits thereof and (b) following the date the Second Lien Exit Facility Indebtedness shall have been paid in full in cash, Material Real Properties to the extent such Material Real Properties are not required to secure any Junior Lien Indebtedness that refinanced such Second Lien Exit Facility Indebtedness.

"Multiemployer Plan" shall mean a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"Necessary Cure Amount" shall have the meaning provided in Section 11.13(a)(iii).

"Net Cash Proceeds" shall mean (a) with respect to any Disposition, the cash proceeds thereof (including cash proceeds subsequently received (as and when received) in respect of noncash consideration initially received), net of, in respect of the Borrower and its Restricted Subsidiaries' (i) selling expenses (including reasonable broker's fees or commissions, legal, accounting and investment banking fees and expenses, title insurance premiums, survey costs, transfer and similar taxes and the Borrower's good faith estimate of income taxes paid or payable in connection with such sale), (ii) amounts provided as a reserve, in accordance with GAAP, against any liabilities under any indemnification obligations or purchase price adjustment associated with such Disposition (provided that, to the extent and at the time any such amounts are released from such reserve, such amounts shall constitute Net Cash Proceeds), and (iii) the principal amount, premium or penalty, if any, interest and other amounts on any Indebtedness permitted hereunder that is secured by a Lien permitted hereunder (other than any Lien pursuant to a Security Document) on the asset disposed of in such Disposition and required to be repaid with such proceeds (other than any such Indebtedness assumed by the purchaser of such asset), (b) with respect to any Casualty Event, the cash proceeds received pursuant to any casualty insurance policy in respect of a covered loss thereunder of any assets of the Borrower or any of its Restricted Subsidiaries, net of any actual out-of-pocket costs and expenses incurred by the Borrower or any of its Restricted Subsidiaries in connection with the adjustment, settlement or collection of any claims of the Borrower or the applicable Restricted Subsidiary in respect thereof and (c) with respect to any issuance or incurrence of Indebtedness, the cash proceeds thereof, net of all taxes and attorneys' fees, accountants' fees, underwriters' or placement agents' fees, listing fees, commissions and brokerage, consultant and other customary fees and charges actually incurred by the Borrower and its Restricted Subsidiaries in connection with such issuance.

"New Borrowing Base Notice" shall have the meaning provided in Section 2.14(d).

"Non-Consenting Lender" shall have the meaning provided in Section 13.7(b).

"Non-Defaulting Lender" shall mean and include each Lender other than a Defaulting Lender.

"Non-Extension Notice Date" shall have the meaning provided in Section 3.2(b).

"Notes" shall mean the promissory notes of the Borrower described in Section 2.5(e) and being substantially in the form of Exhibit H, together with all amendments, modifications, replacements, extensions and rearrangements thereof.

"Notice of Borrowing" shall mean a request of the Borrower in accordance with the terms of Section 2.3(a) and substantially in the form of Exhibit B or such other form as shall be approved by the Administrative Agent (acting reasonably).

"Notice of Conversion or Continuation" shall have the meaning provided in Section 2.6(a).

"NYFRB" shall mean the Federal Reserve Bank of New York.

"Obligations" shall mean all advances to, and debts, liabilities, obligations, covenants and duties of, any Credit Party arising under any Credit Document or otherwise with respect to any Loan or Letter of Credit or under any Secured Cash Management Agreement or Secured Hedge Agreement (including all Secured Hedge Agreements and transactions thereunder regardless of whether entered into with any Hedge Bank prior to, on or after the Closing Date), in each case, entered into with the Borrower or any of its Restricted Subsidiaries, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Credit Party or any Affiliate thereof in any proceeding under any bankruptcy or insolvency law naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. Without limiting the generality of the foregoing, the Obligations of the Credit Parties under the Credit Documents (and any of their Restricted Subsidiaries to the extent they have obligations under the Credit Documents) include the obligation (including Guarantee Obligations) to pay principal, interest, charges, expenses, fees, attorney costs, indemnities and other amounts payable by any Credit Party under any Credit Document. Notwithstanding the foregoing, (a) Excluded Swap Obligations shall not constitute Obligations, (b) the obligations of the Borrower or any Restricted Subsidiary under any Secured Hedge Agreement and under any Secured Cash Management Agreement shall be secured and guaranteed pursuant to the Security Documents and the Guarantee only to the extent that, and for so long as, the other Obligations are so secured and guaranteed and (c) any release of Collateral or Guarantors effected in the manner permitted by this Agreement and the other Credit Documents shall not require the consent of the holders of Hedge Obligations under Secured Hedge Agreements or of the holders of Cash Management Obligations under Secured Cash Management Agreements.

"OFAC" shall mean the Office of Foreign Assets Control of the U.S. Department of the Treasury.

"Oil and Gas Business" shall mean:

(a) the business of acquiring, exploring, exploiting, developing, producing, operating and disposing of interests in oil, natural gas, natural gas liquids, liquefied natural gas and other Hydrocarbons and mineral properties or products produced in association with any of the foregoing;

(b) the business of gathering, marketing, distributing, treating, processing, storing, refining, selling and transporting of any production from interests in oil, natural gas, natural gas

liquids, liquefied natural gas and other Hydrocarbons and mineral properties or products produced in association therewith; and the marketing of oil, natural gas, natural gas liquids, liquefied natural gas and other Hydrocarbons and minerals obtained from unrelated Persons; and

(c) any business or activity relating to, arising from, or necessary, appropriate, incidental or ancillary to the activities described in the foregoing clauses (a) and (b) of this definition.

"Oil and Gas Properties" shall mean (a) Hydrocarbon Interests, (b) the properties now or hereafter pooled or unitized with Hydrocarbon Interests, (c) all presently existing or future unitization agreements, pooling agreements and declarations of pooled or unitized units and the units created thereby (including all units created under orders, regulations and rules of any Governmental Authority) which may affect all or any portion of any Hydrocarbon Interests, (d) all operating agreements, contracts and other agreements, including Production Sharing Contracts and other production sharing contracts and agreements, which relate to any Hydrocarbon Interests or the production, sale, purchase, exchange or processing of Hydrocarbons from or attributable to such Hydrocarbon Interests, (e) all Hydrocarbons in and under and which may be produced and saved or attributable to Hydrocarbon Interests, including all oil in tanks, and all rents, issues, profits, proceeds, products, revenues and other incomes from or attributable to Hydrocarbon Interests, (f) all tenements, hereditaments, appurtenances and properties in any manner appertaining, belonging, affixed or incidental to Hydrocarbon Interests and (g) all properties, rights, titles, interests and estates described or referred to above, including any and all property, real or personal, now owned or hereafter acquired and situated upon, used, held for use or useful in connection with the operating, working or development of any Hydrocarbon Interests or property (excluding drilling rigs, automotive equipment, rental equipment or other personal property which may be on such premises for the purpose of drilling a well or for other similar temporary uses) and including any and all oil wells, gas wells, injection wells or other wells, structures, fuel separators, liquid extraction plants, plant compressors, pumps, pumping units, field gathering systems, gas processing plants and pipeline systems, power and cogeneration facilities, steam flood facilities and any related infrastructure to any thereof, tanks and tank batteries, fixtures, valves, fittings, machinery and parts, engines, boilers, meters, apparatus, equipment, appliances, tools, implements, cables, wires, towers, casing, tubing and rods, surface leases, rights-of-way, easements and servitudes together with all additions, substitutions, replacements, accessions and attachments to any and all of the foregoing.

"Ongoing Hedges" shall have the meaning provided in Section 10.10(a).

"Organization Documents" shall mean (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

"Other Connection Taxes" shall mean, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced under any Credit Document, or sold or assigned an interest in any Loan, Commitment or any other interest under any Credit Document).

"Other Debt" shall have the meaning provided in Section 10.7(a).

"Other Taxes" shall mean all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Credit Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 13.7(a)).

"Overnight Rate" shall mean, for any day, the greater of (a) the Federal Funds Effective Rate and (b) an overnight rate determined by the Administrative Agent or the applicable Issuing Bank, as the case may be, in accordance with banking industry rules on interbank compensation.

"Participant" shall have the meaning provided in Section 13.6(c)(i).

"Participant Register" shall have the meaning provided in Section 13.6(c)(ii).

"Patriot Act" shall have the meaning provided in Section 13.18.

"Payment in Full" shall mean the day the Total Commitment and each Letter of Credit have terminated (unless such Letters of Credit have been collateralized on terms and conditions reasonably satisfactory to each applicable Issuing Bank following the termination of the Total Commitment) and the Loans and Unpaid Drawings, together with interest, fees and all other Obligations incurred hereunder (other than contingent indemnification obligations not then due and payable) and Hedging Obligations under Secured Hedge Agreements and Cash Management Obligations under Secured Cash Management Agreements (except as to which arrangements satisfactory to the applicable Hedge Bank or Cash Management Bank, as the case may be, shall have been made), are paid in full in cash.

"PBGC" shall mean the Pension Benefit Guaranty Corporation established pursuant to Section 4002 of ERISA, or any successor thereto.

"Pension Plan" shall mean any "employee pension benefit plan" (as such term is defined in Section 3(2) of ERISA), other than a Multiemployer Plan, that is subject to Title IV of ERISA and is sponsored or maintained by any Credit Party or any ERISA Affiliate or to which any Credit Party or any ERISA Affiliate contributes or has an obligation to contribute, or in the case of a multiple employer or other plan described in Section 4064(a) of ERISA, has made contributions at any time during the immediately preceding six (6) years.

"Permitted Acquisition" shall mean the acquisition, by merger or otherwise, by the Borrower or any of the Restricted Subsidiaries of assets (including any assets constituting a business unit, line of business or division) or Equity Interests, so long as (a) if such acquisition involves the acquisition of Equity Interests of a Person that upon such acquisition would become a Subsidiary, such acquisition shall result in the issuer of such Equity Interests becoming a Restricted Subsidiary and, to the extent required by Section 9.11, a Guarantor or a Grantor; (b) such acquisition shall result in the Collateral Agent, for the benefit of the Secured Parties, being granted a security interest in any Equity Interests or any assets so acquired to the extent required by Section 9.11; (c) immediately after giving effect to such acquisition, the Restricted Payment Conditions shall have been satisfied; and (d) immediately after giving effect to such acquisition, the Borrower and its Restricted Subsidiaries shall be in compliance with Section 10.13.

"Permitted Additional Debt" shall mean any unsecured senior, unsecured senior subordinated or unsecured subordinated loans or notes issued by the Borrower or a Guarantor after the Closing Date (a) the terms of which do not provide for any scheduled repayment, mandatory redemption or sinking fund

obligation prior to the 181st day after the Maturity Date (other than customary offers to purchase upon a change of control, AHYDO payments, customary asset sale or casualty or condemnation event prepayments and customary acceleration rights after an event of default prior to the 181st day after the Maturity Date) and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of the Facility, if applicable, (b) if such Indebtedness is subordinated in right of payment to the Obligations, the terms of such Indebtedness provide for customary subordination of such Indebtedness to the Obligations and is subject to a Subordination Agreement, (c) no Subsidiary of the Borrower (other than a Guarantor) is a borrower or guarantor with respect to such Indebtedness, (d) that does not restrict, by its terms, the prepayment or repayment of the Obligations, (e) the covenants, events of default, guarantees and other terms of which (other than interest rate, fees, funding discounts and redemption or prepayment premiums reasonably determined by the Borrower to be "market" rates, fees, discounts and premiums at the time of issuance or incurrence of any such Indebtedness), taken as a whole, shall be customary for high yield debt securities and are determined by the Borrower to be no more restrictive on or less favorable to the Borrower and its Restricted Subsidiaries than the terms of this Agreement (as in effect at the time of such issuance or incurrence), taken as a whole, except to the extent this Agreement is amended to incorporate any terms more restrictive than this Agreement and (f) shall not include any financial maintenance covenants nor prohibit prior repayment or prepayment of the Loans; *provided* that a certificate of an Authorized Officer of the Borrower delivered to the Administrative Agent at least five (5) Business Days prior to the incurrence or issuance of such Indebtedness (or such later date as may be acceptable to the Administrative Agent), together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirements shall be conclusive evidence that such terms and conditions satisfy the foregoing requirements.

"Permitted EHP Payments" shall mean each payment of cash from the Borrower or a Grantor to EHP Topco or its Subsidiaries, regardless of whether such payment is structured as an Investment, contractual payment or otherwise, which payment will be permitted pursuant to Section 10.18(a) so long as, (i) as of any date of determination, on a *pro forma* basis for such Permitted EHP Payment: (a) the aggregate amount of such payments in any fiscal quarter does not exceed $10,000,000 for such fiscal quarter (with unused amounts in any fiscal quarter being carried over to the immediately succeeding fiscal calendar quarter), (b) no Default, Event of Default or Borrowing Base Deficiency shall have occurred and be continuing and (c) the Borrower shall be in compliance with the Financial Performance Covenants; provided that clause (c) above shall not be tested (and shall be deemed satisfied) until the date of delivery (or date of required delivery) of the financial statements required to be delivered under Section 6.1(b) for the Test Period ending on March 31, 2021, or (ii) if the Borrower reasonably determines in good faith that such payment is in accordance with industry standards for a prudent owner and operator and is necessary for (a) health and safety reasons, (b) to prevent a shutdown of or a Casualty Event related to the facilities of the EHP Entities or (c) to restore the functioning of such facilities in the event of an unforeseen shutdown or Casualty Event.

"Permitted Intercompany Activities" shall mean any transactions between or among the Borrower and its Subsidiaries (for the avoidance of doubt, including Unrestricted Subsidiaries) that are entered into in the ordinary course of business of the Borrower and its Subsidiaries and, in the good faith judgment of the Borrower, are necessary or advisable in connection with the ownership or operation of the business of the Borrower and its Subsidiaries, including (i) payroll, cash management, purchasing, insurance, indemnity and liability sharing and hedging arrangements (other than the hedging arrangements of any Unrestricted Subsidiaries), (ii) management, technology and licensing arrangements, but excluding other payments to the EHP Entities and (iii) purchase and sale of Hydrocarbons in connection with marketing activities.

"Permitted Investments" shall mean:

(1) United States dollars;

(2) securities issued or directly and fully and unconditionally guaranteed or insured by the United States government or any agency or instrumentality thereof the securities of which are unconditionally guaranteed as a full faith and credit obligation of such government with maturities of twenty-four (24) months or less from the date of acquisition;

(3) certificates of deposit, time deposits and eurodollar time deposits with maturities of twenty-four (24) months or less from the date of acquisition, demand deposits, bankers' acceptances with maturities not exceeding three (3) years and overnight bank deposits, in each case with any domestic or foreign commercial bank having capital and surplus of not less than $250,000,000 in the case of U.S. banks and $100,000,000 (or the United States dollar equivalent as of the date of determination) in the case of non-U.S. banks (any such bank in the forgoing an "Approved Bank");

(4) repurchase obligations for underlying securities of the types described in clauses (2) and (3) above or clauses (6) and (7) below entered into with any financial institution or recognized securities dealer meeting the qualifications specified in clause (3) above;

(5) commercial paper and variable or fixed rate notes issued by an Approved Bank (or by the parent company thereof) or any variable or fixed rate note issued by, or guaranteed by, a corporation by, a corporation (other than structured investment vehicles and other than corporations used in structured financing transactions) rated at least A-2 (or the equivalent thereof) by S&P or at least P-2 (or the equivalent thereof) or better by Moody's (or, if at any time neither Moody's nor S&P shall be rating such obligations, an equivalent rating from another nationally recognized statistical rating agency selected by the Borrower) and in each case maturing within twelve (12) months after the date of acquisition thereof;

(6) marketable short-term money market and similar liquid funds having a rating of at least P-2 (or the equivalent thereof) or A-2 (or the equivalent thereof) from either Moody's or S&P, respectively (or, if at any time neither Moody's nor S&P shall be rating such obligations, an equivalent rating from another nationally recognized statistical rating agency selected by the Borrower);

(7) readily marketable direct obligations issued or fully guaranteed by any state, commonwealth or territory of the United States or any political subdivision or taxing authority thereof; *provided*, that each such readily marketable direct obligation shall have an Investment Grade Rating from either Moody's or S&P or Moody's (or the equivalent thereof) (or, if at any time neither Moody's nor S&P or Moody's (or the equivalent thereof) shall be rating such obligations, an equivalent rating from another nationally recognized statistical rating agency selected by the Borrower) with maturities of thirty-six (36) months or less from the date of acquisition;

(8) Investments with average maturities of twelve (12) months or less from the date of acquisition in money market funds rated AAA- (or the equivalent thereof) or better by S&P or Aaa3 (or the equivalent thereof) or better by Moody's (or, if at any time neither Moody's nor S&P shall be rating such obligations, an equivalent rating from another nationally recognized statistical rating agency selected by the Borrower); and

(9) investment funds investing substantially all of their assets in securities of the types de-scribed in clauses (1) through (8) above.

"Permitted Liens" shall mean:

(a) Liens for taxes, assessments or governmental charges or claims not yet overdue for a period of more than 30 days or that are being contested in good faith and by appropriate proceedings diligently conducted, for which appropriate reserves have been established in accordance with GAAP (or in the case of any Foreign Subsidiary, the comparable accounting principles in the relevant jurisdiction), or for property taxes on property that the Borrower or one of its Subsidiaries has determined to abandon if the sole recourse for such tax, assessment, charge or claim is to such property;

(b) Liens in respect of property or assets of the Borrower or any of the Restricted Subsidiaries imposed by law, such as landlords', sublandlords', vendors', operators', suppliers', carriers', warehousemen's, repairmen's, construction contractors', workers', materialmen's and mechanics' Liens and other similar Liens arising in the ordinary course of business or incident to the exploration, development, operation or maintenance of Oil and Gas Properties, in each case so long as such Liens arise in the ordinary course of business and do not individually or in the aggregate have a Material Adverse Effect and (i) are not overdue for a period of more than sixty (60) days or (ii) are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP;

(c) Liens arising from judgments or decrees in circumstances not constituting an Event of Default under Section 11.9;

(d) Liens incurred or pledges or deposits made in connection with workers' compensation, unemployment insurance and other types of social security, old age pension, public liability obligations or similar legislation, and deposits securing liabilities to insurance carriers under insurance or self-insurance arrangements in respect of such obligations, or to secure (or secure the Liens securing) liability for reimbursement or indemnification obligations of (including obligations in respect of letters of credit or bank guarantees for the benefit of) insurance carriers providing property, casualty or liability insurance to the Borrower or any Subsidiary;

(e) deposits and other Liens securing (or securing the bonds or similar instruments securing) the performance of tenders, statutory obligations, plugging and abandonment or decommissioning obligations, surety, stay, customs and appeal bonds, bids, leases, government contracts, trade contracts, performance and return-of-money bonds and other similar obligations (including letters of credit issued in lieu of such bonds or to support the issuance thereof) incurred in the ordinary course of business or in a manner consistent with past practice or industry practice including those incurred to secure health, safety and environmental obligations in the ordinary course of business, or otherwise constituting Investments permitted by Section 10.5;

(f) ground leases, subleases, licenses or sublicenses in respect of real property (other than any Oil and Gas Properties) on which facilities owned or leased by the Borrower or any of its Restricted Subsidiaries are located;

(g) easements, rights-of-way, restrictive covenants, licenses, restrictions (including zoning restrictions), title defects, exceptions, reservations, deficiencies or irregularities in title, encroachments, protrusions, servitudes, rights, eminent domain or condemnation rights, permits, conditions and covenants and other similar charges or encumbrances (including in any rights-of-

way or other property of the Borrower or its Restricted Subsidiaries for the purpose of roads, pipelines, transmission lines, transportation lines, distribution lines for the removal of gas, oil or other minerals or timber, and other like purposes, or for joint or common use of real estate, rights of way, facilities and equipment) not (i) interfering in any material respect with the business of the Borrower and its Restricted Subsidiaries, taken as a whole, (ii) securing monetary obligations or (iii) materially impairing the value of the affected Borrowing Base Properties, taken as a whole and, to the extent reasonably agreed by the Administrative Agent, any exception on the title reports issued in connection with any Borrowing Base Property;

(h) (i) any interest or title of a lessor, sublessor, licensor or sublicensor under any lease, liens reserved in oil, gas or other Hydrocarbons, minerals, leases for bonus, royalty or rental payments and for compliance with the terms of such lease and (ii) any interest or title of a lessor, sublessor, licensor or sublicensor or secured by a lessor's, sublessor's, licensor's or sublicensor's interest under any lease, sublease, license or sublicense entered into by the Borrower or any Restricted Subsidiary in the ordinary course of business or otherwise permitted by this Agreement and not securing Indebtedness;

(i) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(j) Liens on goods or inventory the purchase, shipment or storage price of which is financed by a documentary letter of credit or bankers' acceptance issued for the account of the Borrower or any of its Restricted Subsidiaries; *provided* that such Lien secures only the obligations of the Borrower or such Restricted Subsidiaries in respect of such letter of credit or bankers' acceptance to the extent permitted under Section 10.1;

(k) leases, licenses, subleases or sublicenses granted to others not (i) interfering in any material respect with the business of the Borrower and its Restricted Subsidiaries, taken as a whole or (ii) securing any Indebtedness for borrowed money;

(l) Liens arising from precautionary UCC financing statement or similar filings made in respect of operating leases entered into by the Borrower or any of its Restricted Subsidiaries;

(m) Liens created in the ordinary course of business in favor of banks and other financial institutions over credit balances of any bank accounts, commodity trading accounts or other brokerage accounts of the Borrower and the Restricted Subsidiaries held at such banks or financial institutions, as the case may be, in the ordinary course of business;

(n) Liens which arise in the ordinary course of business under operating agreements (including preferential purchase rights, consents to assignment and other restraints on alienation), joint operating agreements, joint venture agreements, oil and gas partnership agreements, oil and gas leases, Farm-Out Agreements, Farm-In Agreements, division orders, contracts for the sale, gathering, transportation or exchange of oil and natural gas, unitization and pooling declarations and agreements, area of mutual interest agreements, royalty and overriding royalty agreements, reversionary interests, marketing agreements, processing agreements, net profits agreements, development agreements, gas balancing or deferred production agreements, injection, repressuring and recycling agreements, salt water or other disposal agreements, seismic or other geophysical permits or agreements, and other agreements that are usual or customary in the Oil and Gas Business and are for claims which are not delinquent or that are being contested in good faith and by appropriate proceedings for which appropriate reserves have been established to the extent required by and in accordance with GAAP; *provided* that any such Lien referred to in this clause

does not materially impair the use of the property covered by such Lien for the purposes for which such property is held by the Borrower or any Restricted Subsidiary or materially impair the value of the affected Borrowing Base Properties, taken as a whole;

(o) Liens on pipelines, pipeline facilities and other midstream assets or facilities that arise by operation of law or other like Liens arising by operation of law in the ordinary course of business and incidental to the exploration, development, operation and maintenance of Oil and Gas Properties;

(p) (i) zoning, building, entitlement and other land use regulations by Governmental Authorities with which the normal operation of the business complies and (ii) any zoning or similar law or right reserved to or vested in any Governmental Authority to control or regulate the use of any real property that does not materially interfere with the ordinary conduct of the business of the Borrower and its Restricted Subsidiaries, taken as a whole;

(q) Liens on equipment of the Borrower or any Restricted Subsidiary granted in the ordinary course of business to the Borrower's or such Restricted Subsidiary's client at which such equipment is located;

(r) security given to a public utility or any municipality or governmental authority when required by such utility or authority in connection with the operations of that Person in the ordinary course of business;

(s) Liens arising under statutory provisions of applicable law with respect to production purchased from others; and

(t) deposits of cash with the owner or lessor of premises leased and operated by the Borrower or any of its Subsidiaries to secure the performance of the Borrower's or such Subsidiary's obligations under the terms of the lease for such premises.

"Permitted Refinancing Indebtedness" shall mean, with respect to any Indebtedness (the "Refinanced Indebtedness"), any Indebtedness issued or incurred in exchange for, or the net proceeds of which are used to modify, extend, refinance, renew, replace or refund (collectively to "Refinance" or a "Refinancing" or "Refinanced"), such Refinanced Indebtedness (or previous refinancing thereof constituting Permitted Refinancing Indebtedness); *provided* that (A) the principal amount (or accreted value, if applicable) of any such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Refinanced Indebtedness outstanding immediately prior to such Refinancing except by an amount equal to the unpaid accrued interest and premium thereon and other amounts paid in connection with the defeasance or discharge of such Indebtedness plus other amounts paid consisting of original issue discount or fees and expenses incurred in connection with such Refinancing, (B) the direct and contingent obligors with respect to such Permitted Refinancing Indebtedness immediately prior to such Refinancing are not changed as a result of such Refinancing (except that a Guarantor may be added as an additional obligor and except as may change pursuant to subclause (G) below), (C) other than with respect to a Refinancing in respect of Indebtedness incurred pursuant to Section 10.1(h), such Permitted Refinancing Indebtedness shall have a final maturity date equal to or later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Refinanced Indebtedness, (D) subject to clause (G) below, the terms and conditions of any such Permitted Refinancing Indebtedness, taken as a whole, are not materially less favorable to the Lenders than the terms and conditions of the Refinanced Indebtedness being Refinanced (including, if applicable, as to collateral priority and subordination, but excluding as to interest rates, fees, floors, funding discounts and redemption or prepayment premiums) or are customary for similar

Indebtedness in light of current market conditions, (E) if the Refinanced Indebtedness is subordinated in right of payment to the Obligations, such Permitted Refinancing Indebtedness shall be subordinated to the Obligations, subject to a Subordination Agreement on terms no less favorable to the Secured Parties than such Refinanced Indebtedness, (F) if the Refinanced Indebtedness constitutes Junior Lien Indebtedness, such Permitted Refinancing Indebtedness shall be pari passu in right of payment with any other Junior Lien Indebtedness and unsecured, or if secured, subject to a Junior Lien Intercreditor Agreement and shall not be secured by any assets other than the Collateral and (G) if the Refinanced Indebtedness constitutes the EHP Notes, (i) such Permitted Refinancing Indebtedness shall be required to be Indebtedness that could otherwise be incurred in reliance on Section 10.1(b), (n) and/or (o) and be required to effect the EHP Discharge Date and (ii) the EHP Entities shall become Guarantors hereof upon the incurrence of such Permitted Refinancing Indebtedness. Notwithstanding the foregoing, Permitted Refinancing Indebtedness in respect of Permitted Additional Debt must constitute Permitted Additional Debt. A certificate of an Authorized Officer of the Borrower delivered to the Administrative Agent at least five (5) Business Days prior to the incurrence or issuance of such Indebtedness (or such later date as may be acceptable to the Administrative Agent), together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Borrower has determined in good faith that such terms and conditions satisfy the requirements set forth in the definition of "Permitted Refinancing Indebtedness" shall be conclusive evidence that such terms and conditions satisfy the foregoing requirements.

"Person" shall mean any individual, partnership, joint venture, firm, corporation, limited liability company, association, trust or other enterprise or any Governmental Authority.

"Petroleum Industry Standards" shall mean the Definitions for Oil and Gas Reserves promulgated by the Society of Petroleum Engineers (or any generally recognized successor) as in effect at the time in question.

"Plan" shall mean any employee benefit plan within the meaning of Section 3(3) of ERISA, that is or was within any of the preceding six plan years sponsored, maintained for or contributed to by (or to which there is or was an obligation to contribute or to make payments to) any Credit Party, or with respect to which any Credit Party has any actual or contingent liability.

"Prime Rate" shall mean the rate of interest per annum determined and publicly announced by Citi from time to time as its prime commercial lending rate for Dollar loans in the United States for such day. The Prime Rate is not necessarily the lowest rate that Citi is charging any corporate customer.

"Proceeding" shall have the meaning provided in Section 13.5(b).

"Production Payments and Reserve Sales" shall mean the grant or transfer by the Borrower or any of its Restricted Subsidiaries to any Person of the right to receive all or a portion of the production or the proceeds from the sale of production attributable to such properties where the holder of such interest has recourse solely to such production or proceeds of production, subject to the obligation of the grantor or transferor to operate and maintain, or cause the subject interests to be operated and maintained, in a reasonably prudent manner or other customary standard or subject to the obligation of the grantor or transferor to indemnify for environmental, title or other matters customary in the Oil and Gas Business, including any such grants or transfers.

"Production Sharing Contract" shall mean one or more contracts, agreements or similar instruments governing the sharing of production constituting Proved Reserves, on which Proved Reserves or contracts, agreements or similar instruments, a Lien cannot be granted without the consent of a third party or on which a Lien is contractually or statutorily prohibited.

"Production Sharing Entities" shall mean (i) California Resources Long Beach, Inc., a Delaware corporation, for so long as it is party to a Production Sharing Contract, (ii) Tidelands Oil Production Company, a Texas limited liability company, for so long as it is party to a Production Sharing Contract, (iii) Thums Long Beach Company, a Delaware corporation, for so long as it is party to a Production Sharing Contract and (iv) any other Subsidiary party to any Production Sharing Contract, for so long as it is party to a Production Sharing Contract.

"Projections" shall mean financial estimates, forecasts and other forward-looking information prepared by or on behalf of the Borrower or any of its representatives and that have been made available to any Lenders or the Administrative Agent in connection with the Transactions or the other transactions contemplated hereby.

"Proposed Acquisition" shall have the meaning provided in Section 10.10(a).

"Proposed Borrowing Base" shall have the meaning provided in Section 2.14(c)(i).

"Proposed Borrowing Base Notice" shall have the meaning provided in Section 2.14(c)(ii).

"Proved Developed Producing Reserves" shall mean oil and gas mineral interests that, in accordance with Petroleum Industry Standards, are classified as both "Proved Reserves" and "Developed Producing Reserves."

"Proved Developed Reserves" shall mean oil and gas mineral interests that, in accordance with Petroleum Industry Standards, are classified as both "Proved Reserves" and one of the following: (a) "Developed Producing Reserves" or (b) "Developed Non-Producing Reserves."

"Proved Reserves" shall mean oil and gas mineral interests that, in accordance with Petroleum Industry Standards, are classified as both "Proved Reserves" and one of the following: (a) "Developed Producing Reserves", (b) "Developed Non-Producing Reserves" or (c) "Undeveloped Reserves".

"PTE" shall mean a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"PV-9" shall mean, with respect to any Proved Reserves expected to be produced from any Borrowing Base Properties, the net present value, discounted at 9% per annum, of the future net revenues expected to accrue to the Borrower and Grantors' collective interests in such reserves during the remaining expected economic lives of such reserves, calculated in accordance with the Bank Price Deck.

"QFC" shall have the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

"QFC Credit Support" shall have the meaning provided in Section 13.25.

"Qualified Acquisition" shall mean an acquisition or a series of related acquisitions in which the consideration paid by the Credit Parties is equal to or greater than $50,000,000.

"Qualified Disposition" shall mean a Disposition or a series of related Dispositions in which the consideration received by the Credit Parties is equal to or greater than $50,000,000.

"Qualified ECP Guarantor" shall mean, in respect of any Swap Obligation, each of the Borrower, any Restricted Subsidiary and any Guarantor that has total assets exceeding $10,000,000 at the time such

Swap Obligation is incurred or such other person as constitutes an ECP under the Commodity Exchange Act or any regulations promulgated thereunder.

"Qualified Equity Interests" shall mean any Equity Interests of the Borrower other than Disqualified Stock.

"Recipient" shall mean (a) any Agent or (b) any Lender, as applicable.

"Redetermination Date" shall mean, with respect to any Scheduled Redetermination or any Interim Redetermination, the date that the redetermined Borrowing Base related thereto becomes effective pursuant to Section 2.14(d).

"Reference Time" shall mean, with respect to any setting of the then-current Benchmark, (1) if such Benchmark is USD LIBOR, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such setting, and (2) if such Benchmark is not USD LIBOR, the time determined by the Administrative Agent in its reasonable discretion.

"Refinance" shall have the meaning provided in the definition of "Permitted Refinancing Indebtedness."

"Refinanced Indebtedness" shall have the meaning assigned to such term in the definition of "Permitted Refinancing Indebtedness."

"Register" shall have the meaning provided in Section 13.6(b)(iv).

"Regulation T" shall mean Regulation T of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"Regulation U" shall mean Regulation U of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"Regulation X" shall mean Regulation X of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"Reimbursement Date" shall have the meaning provided in Section 3.4(a).

"Related Indemnified Person" shall mean, with respect to an Indemnitee, (1) any controlling Person or controlled Affiliate of such Indemnitee, (2) the respective directors, officers, or employees of such Indemnitee or any of its controlling Persons or controlled Affiliates and (3) the respective agents and representatives of such Indemnitee or any of its controlling Persons or controlled Affiliates, in the case of this clause (3), acting at the instructions of such Indemnitee, controlling Person or such controlled Affiliate.

"Related Party" shall mean, with respect to any Agent or any Lender, its Affiliates and the officers, directors, employees, agents, attorney-in-fact, attorneys, representatives, partners, members, trustees and advisors of such Agent or Lender and of such Agent's or Lender's Affiliates.

"Release" shall mean any release, spill, emission, discharge, disposal, leaking, pumping, pouring, dumping, emitting, migrating, emptying, injecting or leaching into, through, or from the air, surface water, groundwater, sediment, land surface or subsurface strata.

"Relevant Governmental Body" shall mean the Board or the NYFRB, or a committee officially endorsed or convened by Board or the NYFRB, or any successor thereto.

"Reportable Event" shall mean an event described in Section 4043(c) of ERISA and the regulations thereunder, other than any event as to which the 30-day notice period has been waived.

"Representatives" shall have the meaning provided in Section 13.16.

"Required Cash Collateral Amount" shall have the meaning provided in Section 3.7(c).

"Required Lenders" shall mean, at any date, (a) Non-Defaulting Lenders having or holding at least 66.67% of the Adjusted Total Commitment at such date or (b) if the Total Commitment has been terminated, Non-Defaulting Lenders having or holding at least 66.67% of the outstanding principal amount of the Loans and Letter of Credit Exposure (excluding the Loans and Letter of Credit Exposure of Defaulting Lenders) in the aggregate at such date.

"Requirement of Law" shall mean, as to any Person, any law, treaty, rule, regulation, statute, order, ordinance, decree, judgment, consent decree, writ, injunction, settlement agreement or governmental requirement enacted, promulgated or imposed or entered into or agreed by any Governmental Authority, in each case applicable to or binding upon such Person or any of its property or assets or to which such Person or any of its property or assets is subject.

"Reserve Report" shall mean (a) the Initial Reserve Report, (b) any other subsequent report, in form and substance reasonably satisfactory to the Administrative Agent, or (c) any other engineering data reasonably acceptable to the Administrative Agent, setting forth, as of each December 31 or June 30 (or such other date as contemplated by this Agreement with respect to Interim Redeterminations or otherwise reasonably acceptable to the Administrative Agent) the Proved Reserves and the Proved Developed Reserves of the Borrower and the Credit Parties (or of Oil and Gas Properties to be acquired, provided that any Oil and Gas Properties not yet acquired shall be expressly designated as such), together with a projection of the rate of production and future net revenues, operating expenses (including production taxes and ad valorem expenses) and capital expenditures with respect thereto as of such date, based upon the PV-9 of the Proved Reserves and Proved Developed Reserves set forth therein; *provided* that in connection with any Interim Redeterminations of the Borrowing Base pursuant to the last sentence of Section 2.14(b), the Borrower shall only be required, for purposes of updating the Reserve Report, to set forth such additional Proved Reserves and related information as are the subject of such acquisition.

"Reserve Report Certificate" shall mean a certificate of an Authorized Officer in substantially the form of Exhibit A certifying as to the matters set forth in Section 9.14(c).

"Resolution Authority" shall mean an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"Restricted Payments" shall have the meaning provided in Section 10.6.

"Restricted Payment Conditions" shall mean as of any date of determination, on a *pro forma* basis for the transaction with respect to which the Restricted Payment Conditions are being evaluated, (a) no Default, Event of Default or Borrowing Base Deficiency shall have occurred and be continuing, (b) the Available Commitment is not less than 25.0% of the Total Commitment, (c) the Consolidated Total Net Leverage Ratio is less than or equal to 2.00 to 1.00 and (d) Distributable Free Cash Flow is (i) prior to Successful Syndication, greater than 80% of Free Cash Flow on such date of determination and (ii) after Successful Syndication, greater than or equal to zero on such date of determination.

"Restricted Subsidiary" shall mean any Subsidiary of the Borrower other than an Unrestricted Subsidiary.

"Restructuring Support Agreement" shall have the meaning provided in the recitals to this Agreement.

"Sanctions" shall mean economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State or (b) the United Nations Security Council, the European Union or Her Majesty's Treasury of the United Kingdom.

"Sanctions Laws" shall mean the following, in each case, to the extent enacted and in effect: (a) laws, regulations, and rules promulgated or administered by OFAC to implement U.S. sanctions programs, including any enabling legislation or Executive Order related thereto, as amended from time to time; (b) the US Comprehensive Iran Sanctions, Accountability, and Divestment Act and the regulations and rules promulgated thereunder ("CISADA"), as amended from time to time; (c) the U.S. Iran Threat Reduction and Syria Human Rights Act and the regulations and rules promulgated thereunder ("ITRA"), as amended from time to time; (d) the US Iran Freedom and Counter-Proliferation Act and the regulations and rules promulgated thereunder ("IFCA"); (e) the sanctions and other restrictive measures applied by the European Union in pursuit of the Common Foreign and Security Policy objectives set out in the Treaty on European Union; and (f) any similar sanctions laws as may be enacted from time to time in the future by the U.S., the European Union (and its member states), or the U.N. Security Council or any other legislative body of the United Nations; and any corresponding laws of jurisdictions in which the Borrower operates or in which the proceeds of the Loans will be used or from which repayments of the Obligations will be derived.

"S&P" shall mean Standard & Poor's Ratings Services or any successor by merger or consolidation to its business.

"Scheduled Redetermination" shall have the meaning provided in Section 2.14(b).

"Scheduled Redetermination Date" shall mean the date on which a Borrowing Base that has been redetermined pursuant to a Scheduled Redetermination becomes effective as provided in Section 2.14. "Screen Rate" shall have the meaning assigned to such term in the definition of "LIBOR Rate."

"SEC" shall mean the Securities and Exchange Commission or any successor thereto.

"Second Lien Agent" shall mean, with respect to the Second Lien Exit Facility, the agent, trustee or other representative of the holders of the indebtedness and other obligations evidenced thereunder or governed thereby, in each case, together with its successors in such capacity.

"Second Lien Collateral Agent" shall mean, with respect to the Second Lien Exit Facility, the agent, collateral agent, collateral trustee or other representative of the holders of the indebtedness and other obligations evidenced thereunder or governed thereby, in each case, together with its successors in such capacity.

"Second Lien Exit Facility" shall mean that certain Credit Agreement, dated as of the date hereof, by and among the Borrower, the lenders party thereto from time to time and Alter Domus Products Corp., as administrative agent and collateral agent and the "Credit Documents" (as defined therein), in each case, in form and substance reasonably satisfactory to the Arrangers and secured solely pursuant to Section 10.2(s) by Second Lien Security Documents that shall be substantially consistent with the Security Documents and shall otherwise contain customary provisions reasonably satisfactory to the Administrative

Agent to reflect the second lien nature thereof, as may be amended, restated, amended and restated, supplemented, otherwise modified, extended, replaced, or refinanced from time to time in accordance with, and as permitted by this Agreement and the Junior Lien Intercreditor Agreement.

"Second Lien Exit Facility Indebtedness" shall mean the "Obligations" under (and as defined in) the Second Lien Exit Facility.

"Second Lien Security Documents" shall mean any security agreements, collateral agreements, pledge agreements, collateral assignments, mortgages, deeds of trust, collateral agency agreements, control agreements, or grants or transfers for security, executed and delivered by any Credit Party creating (or purporting to create) a Lien upon the Collateral in favor of the holders of any Second Lien Exit Facility Indebtedness and the other secured parties thereunder.

"Secured Cash Management Agreement" shall mean any agreement related to Cash Management Services by and between the Borrower or any of its Restricted Subsidiaries and any Cash Management Bank.

"Secured Hedge Agreement" shall mean any Hedge Agreement by and between the Borrower or any of its Restricted Subsidiaries and any Hedge Bank.

"Secured Parties" shall mean, collectively, the Administrative Agent, the Collateral Agent, each Issuing Bank, each Lender, each Hedge Bank that is party to any Secured Hedge Agreement, each Cash Management Bank that is a party to any Secured Cash Management Agreement and each sub-agent appointed pursuant to Section 12.2 by the Administrative Agent with respect to matters relating to the Credit Documents or by the Collateral Agent with respect to matters relating to any Security Document.

"Securities Account" shall mean any securities account maintained by the Credit Parties, including any "security accounts" under Article 9 of the UCC. All funds in such Securities Accounts (other than Excluded Accounts) shall be conclusively presumed to be Collateral and proceeds of Collateral and the Agents and the Lenders shall have no duty to inquire as to the source of the amounts on deposit in the Securities Accounts.

"Securities Account Control Agreement" has the meaning specified in Section 9.17.

"Securities Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Security Documents" shall mean, collectively, (a) the Collateral Agreement, (b) the Mortgages, (c) any Junior Lien Intercreditor Agreement and (d) each other security agreement or other instrument or document executed and delivered pursuant to Section 9.11 or 9.13 or pursuant to any other such Security Documents or otherwise in order to secure or perfect the security interest in any or all of the Obligations.

"Senior DIP Facility" shall have the meaning provided in the recitals to this Agreement.

"Service Agreement Undertakings" shall mean agreements to pay fees and other consideration in respect of agreed quantities of marketing, transportation and/or other similar services in connection with reasonably anticipated (i) production from Oil and Gas Properties of the Borrower and the Restricted Subsidiaries and (ii) associated production of non-operators and royalty and similar interest owners, in each case which fees and other consideration are payable whether or not such services are utilized.

"SFAS 87" has the meaning set forth in the definition of the term "Unfunded Current Liability".

"SOFR" with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator's Website on the immediately succeeding Business Day.

"SOFR Administrator" shall mean the NYFRB (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website" shall mean the website of the NYFRB, currently at http://www.newyorkfed.org, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"Solvent" shall mean, with respect to any Person on any date of determination, that on such date (i)(a) the fair value of the assets of such Person and its Restricted Subsidiaries, on a consolidated basis, exceeds, on a consolidated basis, their debts and liabilities, subordinated, contingent or otherwise, (b) the present fair saleable value of the property of such Person and its Restricted Subsidiaries, on a consolidated basis, is greater than the amount that will be required to pay the probable liability, on a consolidated basis, of their debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured or (c) such Person and its Restricted Subsidiaries, on a consolidated basis, are able to pay their debts and liabilities, subordinated, contingent or otherwise, as such liabilities become absolute and matured and (ii) such Person and its Restricted Subsidiaries, on a consolidated basis, are not engaged in, and are not about to engage in, business for which they have unreasonably small capital. The amount of any contingent liability at any time shall be computed as the amount that would reasonably be expected to become an actual and matured liability.

"Specified Quarter" shall have the meaning provided in the definition of Distributable Free Cash Flow.

"Specified Transaction" shall mean any acquisition, Investment, Disposition, incurrence or repayment of Indebtedness, Restricted Payment or Subsidiary designation that by the terms of this Agreement requires a financial ratio or test to be calculated on a *pro forma* basis.

"Specified Volumes" shall have the meaning provided in the definition of Acceptable Commodity Hedge Agreements.

"SPV" shall have the meaning provided in Section 13.6(g).

"Stated Amount" of any Letter of Credit shall mean the maximum amount from time to time available to be drawn thereunder, determined without regard to whether any conditions to drawing could then be met.

"Statutory Reserve Rate" shall mean a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentage (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board to which the Administrative Agent is subject with respect to the Adjusted LIBOR Rate, for eurocurrency funding (currently referred to as "Eurocurrency liabilities" in Regulation D). Such reserve percentage shall include those imposed pursuant to Regulation D. LIBOR Loans shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

"Strip Price" as of any date of determination, the forward month prices as of such date for ICE Brent Crude/NYMEX (as applicable) applicable to such future production month for a five-year period (or such shorter period if forward month prices are not quoted for ICE Brent Crude/NYMEX (as applicable) for the full five year period), as such prices are quoted on the Intercontinental Exchange (or its successor) or the New York Mercantile Exchange (or its successor) as of the determination date.

"Subagent" shall have the meaning provided in Section 12.2.

"Subordination Agreement" shall mean a subordination agreement in form and substance reasonably acceptable to the Administrative Agent and/or the Collateral Agent, the Borrower and the Majority Lenders, among the Administrative Agent, the representative on behalf of any holders of senior subordinated or subordinated Permitted Additional Debt, the Borrower, the Guarantors and the other parties party thereto from time to time.

"Subsidiary" shall mean, with respect to any Person: (1) any corporation, association, or other business entity (other than a partnership, joint venture, limited liability company or similar entity) of which more than 50.0% of the total Voting Equity is at the time of determination owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof; and (2) any partnership, joint venture, limited liability company or similar entity of which: (a) more than 50.0% of the Voting Equity or general partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof whether in the form of membership, general, special or limited partnership or otherwise, and (b) such Person or any Restricted Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"Subsidiary Grantor" shall mean each Subsidiary Guarantor and each Production Sharing Entity.

"Subsidiary Guarantor" shall mean each Subsidiary that is a Guarantor.

"Subsidiary Redesignation" shall have the meaning provided in the definition of "Unrestricted Subsidiary" contained in this Section 1.1(a).

"Successful Syndication" shall mean the date upon which the Elected Commitment of each Arranger (or the Lender that is an Affiliate of such Arranger) does not exceed $85,000,000 or such other amount as agreed between each such Arranger (or the Lender that is an Affiliate of such Arranger) and the Borrower.

"Successor Borrower" shall have the meaning provided in Section 10.3(a)(i).

"Supported QFC" has the meaning assigned to such term in Section 13.25.

"Swap Obligation" shall mean, with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of section 1a(47) of the Commodity Exchange Act.

"Swap PV" shall mean, with respect to any commodity Hedge Agreement, the present value, discounted at 9% per annum, of the future receipts expected to be paid to the Borrower or its Restricted Subsidiaries under such Hedge Agreement netted against the Administrative Agent's then current Bank Price Deck; *provided*, that the "Swap PV" shall never be less than $0.00.

"Swap Termination Value" shall mean, in respect of any one or more Hedge Agreements, after taking into account the effect of any legally enforceable netting agreement relating to such Hedge Agreements, (a) for any date on or after the date such Hedge Agreements have been closed out and termination value(s) determined in accordance therewith, the sum of any unpaid amount in respect of such Hedge Agreement and such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Hedge Agreements, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Hedge Agreements (which may include a Lender or any Affiliate of a Lender).

"Taxes" shall mean all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term SOFR" shall mean for the applicable Corresponding Tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

"Termination Date" shall mean the earlier to occur of (a) the Maturity Date and (b) the date on which the Total Commitment shall have terminated.

"Test Period" shall mean, for any date of determination under this Agreement, (a) for the fiscal quarters ending on or before March 31, 2021, the one fiscal quarter period ending on the last day of such applicable fiscal quarter, (b) for the fiscal quarters ending June 30, 2021 and September 30, 2021, the applicable period commencing on January 1, 2021 and ending on the last day of such applicable fiscal quarter and (c) for (x) the fiscal quarter ending December 31, 2021 and (y) each fiscal quarter thereafter, any period of four (4) consecutive fiscal quarters ending on the last day of such applicable fiscal quarter

"Total Commitment" shall mean the sum of the Commitments of the Lenders.

"Total Exposure" shall mean, with respect to any Lender at any time, the sum of (a) the aggregate principal amount of the Loans of such Lender then outstanding and (b) such Lender's Letter of Credit Exposure at such time.

"Transaction Expenses" shall mean any fees or expenses incurred or paid by the Borrower or any of its Subsidiaries in connection with the Transactions (including expenses in connection with hedging transactions (including termination or amendment thereof), if any, payments to officers, employees and directors as change of control payments, severance payments or special or retention bonuses and payments or charges for payments on account of phantom stock units, restricted stock, stock appreciation rights, restricted stock units and options (including the repurchase or rollover of, or modifications to, the foregoing awards)), this Agreement and the other Credit Documents and the transactions contemplated hereby and thereby.

"Transactions" shall mean, collectively, the execution, delivery and performance of this Agreement and the other Credit Documents, the borrowing of the Loans, the use of the proceeds thereof, the issuance of Letters of Credit hereunder, the payment of Transaction Expenses and the other transactions contemplated by this Agreement and the Credit Documents and the effectiveness and consummation of the Chapter 11 Plan pursuant to the Confirmation Order.

"Transferee" shall have the meaning provided in Section 13.6(e).

"Type" shall mean, as to any Loan, its nature as an ABR Loan or a LIBOR Loan.

"UCC" shall mean the Uniform Commercial Code of the State of New York or of any other state the laws of which are required to be applied in connection with the perfection of security interests in any Collateral.

"UCP" shall have the meaning provided in Section 3.8.

"UK Financial Institution" shall mean any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended form time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" shall mean the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Unadjusted Benchmark Replacement" shall mean the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

"Unfunded Current Liability" of any Plan shall mean the amount, if any, by which the Accumulated Benefit Obligation (as defined under Statement of Financial Accounting Standards No. 87 ("SFAS 87")) under the Plan as of the close of its most recent plan year, determined in accordance with SFAS 87 as in effect on the date hereof, exceeds the Fair Market Value of the assets allocable thereto.

"Uniform Customs" shall mean, with respect to any Letter of Credit, the Uniform Customs and Practice for Documentary Credits as approved by the International Chamber of Commerce, commencing on July 1, 2007 (or such later version thereof as may be in effect at the time of issuance).

"Unpaid Drawing" shall have the meaning provided in Section 3.4(a).

"Unrestricted Cash" shall mean cash or cash equivalents (including Permitted Investments) of the Borrower or any of its Restricted Subsidiaries that would not appear as "restricted" on a consolidated balance sheet of the Borrower or any of its Restricted Subsidiaries; *provided* (a) cash or cash equivalents (including Permitted Investments) that would appear as "restricted" on a consolidated balance sheet of Borrower or any of its Restricted Subsidiaries solely because such cash or cash equivalents (including Permitted Investments) are subject to a Deposit Account Control Agreement or a Securities Account Control Agreement in favor of the Collateral Agent shall constitute Unrestricted Cash hereunder, (b) cash and cash equivalents shall be included in the determination of Unrestricted Cash only to the extent that such cash and cash equivalents are maintained in accounts subject to a Deposit Account Control Agreement or a Securities Account Control Agreement in favor of the Collateral Agent shall constitute Unrestricted Cash and (c) cash and cash equivalents that are maintained in accounts to the extent required under this Agreement to cash collateralize Letter of Credit Exposure shall not be included in Unrestricted Cash.

"Unrestricted Subsidiary" shall mean (a) any Subsidiary of the Borrower that is formed or acquired after the Closing Date if, at such time or promptly thereafter, the Borrower designates such Subsidiary as an "Unrestricted Subsidiary" in a written notice to the Administrative Agent, (b) any Restricted Subsidiary designated as an Unrestricted Subsidiary by the Borrower in a written notice to the Administrative Agent; *provided* that in the case of each of clauses (a) and (b), (i) such designation shall be deemed to be an Investment (or reduction in an outstanding Investment, in the case of a designation of an Unrestricted Subsidiary as a Restricted Subsidiary) on the date of such designation in an amount equal to the Fair Market Value of the Borrower's investment therein on such date and such designation shall be permitted only to the extent such Investment is permitted under Section 10.5 on the date of such designation, (ii) in the case

of clauses (a) and (b), such designation shall be deemed to be a Disposition pursuant to which the provisions of Section 2.14(f) will apply to the extent contemplated thereby, (iii) no Default, Event of Default or Borrowing Base Deficiency exists or would result from such designation immediately after giving effect thereto, (iv) immediately after giving *pro forma* effect to such designation, the Borrower shall be in compliance with the Financial Performance Covenants on a *pro forma* basis, (v) all representations and warranties made by any Credit Party contained herein or in the other Credit Documents shall be true and correct in all material respects with the same effect as though such representations and warranties had been made on and as of the date of such designation (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date and except that any representation and warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct (after giving effect to any qualification therein) in all respects on such respective dates) and (vi) at the time of such designation, if such Subsidiary owns any Borrowing Base Properties, such designation shall be deemed a Disposition of such Borrowing Base Properties and shall otherwise be in compliance with this Agreement and (c) each Subsidiary of an Unrestricted Subsidiary. No Subsidiary may be designated as an Unrestricted Subsidiary if, after such designation, it would be a "Restricted Subsidiary" for the purpose of any Permitted Additional Debt or any Permitted Refinancing Indebtedness in respect thereof or if, immediately prior to such designation, such Subsidiary is a party to a Secured Hedge Agreement (except if arrangements satisfactory to the applicable Hedge Bank have been made). The Borrower may, by written notice to the Administrative Agent, re-designate any Unrestricted Subsidiary as a Restricted Subsidiary (each, a "Subsidiary Redesignation"), and thereafter, such Subsidiary shall no longer constitute an Unrestricted Subsidiary, but only if no Event of Default would result from such Subsidiary Redesignation. Any such Subsidiary Redesignation shall be deemed to constitute the incurrence by the Borrower at the time of redesignation of any Investment, Indebtedness, or Liens of such Subsidiary existing at such time, and the Borrower shall be in compliance with Sections 10.1, 10.2 and 10.5 after giving effect to such redesignation. As of the Closing Date, there are no Unrestricted Subsidiaries. Notwithstanding the foregoing, no Production Sharing Entity that is the direct owner of any Production Sharing Contract shall be designated as an Unrestricted Subsidiary.

"USD LIBOR" shall mean the London interbank offered rate for U.S. dollars.

"U.S. Lender" shall mean any Lender that is a "United States person" within the meaning of Section 7701(a)(30) of the Code.

"U.S. Person" shall mean any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Code.

"U.S. Special Resolution Regimes" shall have the meaning provided in Section 13.25.

"U.S. Tax Compliance Certificate" has the meaning specified in Section 5.4(f).

"Utilization Percentage" shall mean, as of any day, the fraction expressed as a percentage, the numerator of which is the aggregate Total Exposures of all Lenders on such day, and the denominator of which are the Aggregate Elected Commitment Amount in effect on such day.

"Voting Equity" shall mean, with respect to any Person, such Person's Equity Interests having the voting power entitled (without regard to the occurrence of any contingency) to vote in the election of directors (or equivalent thereof), members of management or trustees thereof under ordinary circumstances.

"Weighted Average Life to Maturity" shall mean, when applied to any Indebtedness at any date, the number of years obtained by dividing: (i) the sum of the products obtained by multiplying (a) the

amount of each then remaining scheduled installment, sinking fund, serial maturity or other required scheduled payments of principal, including payment at final scheduled maturity, in respect thereof, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by (ii) the then outstanding principal amount of such Indebtedness; *provided* that the effects of any prepayments made on such Indebtedness shall be disregarded in making such calculation.

"Wholly owned Subsidiary" of any person shall mean a subsidiary of such person, all of the Equity Interests of which (other than directors' qualifying shares or nominee or other similar shares required pursuant to applicable law) are owned by such person or another Wholly owned Subsidiary of such person.

"Withdrawal Liability" shall mean the liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

"Withholding Agent" shall mean the Borrower and the Administrative Agent.

"Working Capital" shall mean, as at any date of determination, the difference of Consolidated Current Assets *minus* Consolidated Current Liabilities.

"Write-Down and Conversion Powers" shall mean, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

1.2 Other Interpretive Provisions. With reference to this Agreement and each other Credit Document, unless otherwise specified herein or in such other Credit Document:

(a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(b) The words "herein", "hereto", "hereof" and "hereunder" and words of similar import when used in any Credit Document shall refer to such Credit Document as a whole and not to any particular provision thereof.

(c) Article, Section, Exhibit and Schedule references are to the Credit Document in which such reference appears.

(d) The terms "include," "includes" and "including" are by way of example and not limitation.

(e) The term "documents" includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form.

(f) In the computation of periods of time from a specified date to a later specified date, the word "from" shall mean "from and including"; the words "to" and "until" each mean "to but excluding"; and the word "through" shall mean "to and including".

(g) Section headings herein and in the other Credit Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Credit Document.

(h) Any reference to any Person shall be constructed to include such Person's successors or assigns (subject to any restrictions on assignment set forth herein) and, in the case of any Governmental Authority, any other Governmental Authority that shall have succeeded to any or all of the functions thereof.

(i) Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms.

(j) The word "will" shall be construed to have the same meaning as the word "shall".

(k) The words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(l) The principal amount of any non-interest bearing Indebtedness or other discount security constituting Indebtedness at any date shall be the principal amount thereof that would be shown on a balance sheet of the Borrower dated such date prepared in accordance with GAAP.

1.3 Accounting Terms.

(a) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the first audited financial statements delivered under Section 9.1(a), except as otherwise specifically prescribed herein. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made (i) without giving effect to any election under Accounting Standards Codification 825-10-25 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of the Borrower or any Subsidiary at "fair value", as defined therein and (ii) without giving effect to any treatment of Indebtedness in respect of convertible debt instruments under Accounting Standards Codification 470-20 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof.

(b) Computation of Certain Financial Covenants. Unless otherwise specified herein, all defined financial terms (and all other definitions used to determine such terms) shall be determined and computed in respect of the Borrower and its Restricted Subsidiaries on a consolidated basis.

1.4 Rounding. Any financial ratios required to be maintained or complied with by the Borrower pursuant to this Agreement (or required to be satisfied in order for a specific action to be permitted under this Agreement) shall be calculated by dividing the appropriate component by the other component,

carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.5 References to Agreements, Laws, Etc. Unless otherwise expressly provided herein, (a) references to organizational documents, agreements (including the Credit Documents) and other Contractual Requirements shall be deemed to include all subsequent amendments, restatements, amendment and restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, amendment and restatements, extensions, supplements and other modifications are permitted by any Credit Document and (b) references to any Requirement of Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Requirement of Law.

1.6 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to New York City (daylight saving or standard, as applicable).

1.7 Timing of Payment or Performance. When the payment of any obligation or the performance of any covenant, duty or obligation is stated to be due or performance required on a day which is not a Business Day, the date of such payment (other than as described in Section 2.9) or performance shall extend to the immediately succeeding Business Day.

1.8 [Reserved].

1.9 Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Type (e.g., a "LIBOR Loan").

1.10 Hedging Requirements Generally. For purposes of any determination with respect to compliance with Section 10.10 or any other calculation under or requirement of this Agreement in respect of hedging, such determination or calculation shall be calculated separately for crude, gas and natural gas liquid.

1.11 Certain Determinations. For purposes of determining compliance with any of the covenants set forth in Section 9 or Section 10 below, but subject to any limitation expressly set forth therein, as applicable, at any time (whether at the time of incurrence or thereafter) that any Lien, Investment, Indebtedness, Disposition, Restricted Payment, Affiliate transaction, prepayment, redemption or the consummation of any other transaction meets the criteria of one, or more than one, of the categories permitted pursuant to Section 9 or Section 10 below, as applicable, the Borrower shall, in its sole discretion, determine under which category such Lien, Investment, Indebtedness, Disposition, Restricted Payment, Affiliate transaction, prepayment, redemption or the consummation of any other transaction (or, in each case, any portion thereof) is permitted.

1.12 Pro Forma and Other Calculations.

(a) Notwithstanding anything to the contrary herein, for purposes of determining compliance with any test or covenant contained in this Agreement with respect to any period during which any Specified Transaction occurs, the Consolidated Secured Net Leverage Ratio, the Consolidated Total Net Leverage Ratio and the Current Ratio shall be calculated with respect to such period and such Specified Transaction on a *pro forma* basis and in the manner prescribed by this Section 1.12.

(b) If since the beginning of any applicable Test Period any Person that subsequently became a Restricted Subsidiary or was merged, amalgamated or consolidated with or into the Borrower or any of its Restricted Subsidiaries since the beginning of such Test Period shall have made any Specified

Transaction that would have required adjustment pursuant to this Section 1.12, then such financial ratio or test (or Consolidated Total Assets) shall be calculated to give *pro forma* effect thereto in accordance with this Section 1.12.

(c) Whenever *pro forma* effect is to be given to a Specified Transaction, the pro forma calculations shall be made in good faith by a Financial Officer of the Borrower.

(d) In the event that the Borrower or any Restricted Subsidiary issues, repurchases or redeems Disqualified Stock (i) during the applicable Test Period or (ii) subsequent to the end of the applicable Test Period and prior to or simultaneously with the event for which the calculation of any such ratio is made, then such financial ratio or test shall be calculated giving *pro forma* effect to such issuance, refinancing or redemption of Disqualified Stock to the extent required, as if the same had occurred on the last day of the applicable Test Period.

1.13 Rates. The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the rates in the definition of "LIBOR Rate" or with respect to any rate that is an alternative or replacement for or successor to any such rate (including, without limitation, any Benchmark Replacement) or the effect of any of the foregoing, or of any Benchmark Replacement Conforming Changes.

1.14 Divisions. For all purposes under the Credit Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

SECTION 2. AMOUNT AND TERMS OF CREDIT

2.1 Commitments.

(a) Subject to and upon the terms and conditions herein set forth, each Lender severally, but not jointly, agrees to make a loan or loans denominated in Dollars (each an "Loan" and, collectively, the "Loans") to the Borrower, which Loans (i) shall be made at any time and from time to time on and after the Closing Date and prior to the Termination Date, (ii) may, at the option of the Borrower, be incurred and maintained as, and/or converted into, ABR Loans or LIBOR Loans; *provided* that all Loans made by each of the Lenders pursuant to the same Borrowing shall, unless otherwise specifically provided herein, consist entirely of Loans of the same Type, (iii) may be repaid and reborrowed in accordance with the provisions hereof, (iv) shall not, for any Lender at any time, after giving effect thereto and to the application of the proceeds thereof, result in such Lender's Total Exposure at such time exceeding such Lender's Commitment Percentage at such time of the Total Commitment and (v) shall not, after giving effect thereto and to the application of the proceeds thereof, result in the aggregate amount of all Lenders' Total Exposures at such time exceeding the Total Commitment (*i.e.*, the least of (A) the Aggregate Maximum Credit Amounts, (B) the then-effective Borrowing Base and (C) the then-effective Aggregate Elected Commitment Amount).

(b) Each Lender may at its option make any LIBOR Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan, *provided* that (i) any exercise of such option shall not affect the obligation of the Borrower to repay such Loan and (ii) in exercising such option, such Lender shall use its reasonable efforts to minimize any increased costs to the Borrower resulting therefrom (which obligation of the Lender shall not require it to take, or refrain from taking, actions that it determines would

result in increased costs for which it will not be compensated hereunder or that it determines would be otherwise disadvantageous to it and in the event of such request for costs for which compensation is provided under this Agreement, the provisions of Section 2.10 shall apply).

2.2 Minimum Amount of Each Borrowing; Maximum Number of Borrowings. The aggregate principal amount of each Borrowing shall be in a minimum amount of at least the Minimum Borrowing Amount for such Type of Loans and in a multiple of $100,000 in excess thereof (except that Loans to reimburse the applicable Issuing Bank with respect to any Unpaid Drawing shall be made in the amounts required by Section 3.3 or Section 3.4, as applicable). More than one Borrowing may be incurred on any date; *provided*, that at no time shall there be outstanding more than ten Borrowings of LIBOR Loans under this Agreement.

2.3 Notice of Borrowing.

(a) Whenever the Borrower desires to incur Loans (other than borrowings to repay Unpaid Drawings), the Borrower shall give the Administrative Agent at the Administrative Agent's Office, (i) prior to 1:00 p.m. (New York City time) at least three (3) Business Days' prior written notice (or telephonic notice promptly confirmed in writing) of each Borrowing of Loans if such Loans are to be initially LIBOR Loans and (ii) (A) in the case of any ABR Loans incurred on the Closing Date, prior to 1:00 p.m. (New York City time) at least one Business Day prior written notice (or telephonic notice promptly confirmed in writing) of each Borrowing of Loans and (B) in the case of any ABR Loans incurred after the Closing Date, written notice (or telephonic notice promptly confirmed in writing) prior to 1:00 p.m. (New York City time) on the date of each Borrowing of Loans that are to be ABR Loans. Such notice (a "Notice of Borrowing") shall specify (A) the aggregate principal amount of the Loans to be made pursuant to such Borrowing, (B) the date of the Borrowing (which shall be a Business Day), (C) whether the respective Borrowing shall consist of ABR Loans and/or LIBOR Loans and, if LIBOR Loans, the Interest Period to be initially applicable thereto (if no Interest Period is selected, the Borrower shall be deemed to have selected an Interest Period of one month's duration) and (D) the amount of the then-effective Borrowing Base, the amount of the then-effective Aggregate Elected Commitment Amount, the current aggregate Total Exposures of all Lenders (without regard to the requested Borrowing) and the *pro forma* aggregate Total Exposures of all Lenders (giving effect to the requested Borrowing). The Administrative Agent shall promptly give each Lender written notice (or telephonic notice promptly confirmed in writing) of each proposed Borrowing of Loans, of such Lender's Commitment Percentage thereof and of the other matters covered by the related Notice of Borrowing.

(b) Borrowings to reimburse Unpaid Drawings shall be made upon the notice specified in Section 3.4(a).

(c) Without in any way limiting the obligation of the Borrower to confirm in writing any notice it may give hereunder by telephone, the Administrative Agent may act prior to receipt of written confirmation without liability upon the basis of such telephonic notice believed by the Administrative Agent in good faith to be from an Authorized Officer of the Borrower.

2.4 Disbursement of Funds.

(a) No later than 2:00 p.m. (New York City time) on the date specified in each Notice of Borrowing, each Lender will make available its pro rata portion of each Borrowing requested to be made on such date in the manner provided below; *provided* that on the Closing Date, such funds shall be made available by 10:00 a.m. (New York City time) or such earlier time as may be agreed among the Lenders, the Borrower and the Administrative Agent for the purpose of consummating the Transactions.

(b) Each Lender shall make available all amounts it is to fund to the Borrower under any Borrowing in immediately available funds to the Administrative Agent at the Administrative Agent's Office in Dollars, and the Administrative Agent will (except in the case of Borrowings to repay Unpaid Drawings) make available to the Borrower, by depositing or wiring to an account (such account to be a Controlled Account on and after the date referred to in Section 9.17(a)(i)) as designated by the Borrower in the Notice of Borrowing to the Administrative Agent the aggregate of the amounts so made available in Dollars. Unless the Administrative Agent shall have been notified by any Lender prior to the date of any such Borrowing (or, with respect to an ABR Loan, the date of such Borrowing prior to 1:00 p.m. (New York City time)) that such Lender does not intend to make available to the Administrative Agent its portion of the Borrowing or Borrowings to be made on such date, the Administrative Agent may assume that such Lender has made such amount available to the Administrative Agent on such date of Borrowing, and the Administrative Agent, in reliance upon such assumption, may (in its sole discretion and without any obligation to do so) make available to the Borrower a corresponding amount. If such corresponding amount is not in fact made available to the Administrative Agent by such Lender and the Administrative Agent has made available such amount to the Borrower, the Administrative Agent shall be entitled to recover such corresponding amount from such Lender. If such Lender does not pay such corresponding amount forthwith upon the Administrative Agent's demand therefor the Administrative Agent shall promptly notify the Borrower and the Borrower shall immediately pay such corresponding amount to the Administrative Agent in Dollars. The Administrative Agent shall also be entitled to recover from such Lender or the Borrower, as the case may be, interest on such corresponding amount in respect of each day from the date such corresponding amount was made available by the Administrative Agent to the Borrower to the date such corresponding amount is recovered by the Administrative Agent, at a rate per annum equal to (i) if paid by such Lender, the Overnight Rate or (ii) if paid by the Borrower, the then-applicable rate of interest or fees, calculated in accordance with Section 2.8, for the respective Loans.

(c) Nothing in this Section 2.4 shall be deemed to relieve any Lender from its obligation to fulfill its commitments hereunder or to prejudice any rights that the Borrower may have against any Lender as a result of any default by such Lender hereunder (it being understood, however, that no Lender shall be responsible for the failure of any other Lender to fulfill its commitments hereunder).

2.5 Repayment of Loans; Evidence of Debt.

(a) The Borrower agrees to repay to the Administrative Agent, for the benefit of the applicable Lenders, the principal amount outstanding as of such date, together with all accrued and unpaid interest as of such date, and all fees and all other Obligations incurred and unpaid hereunder and under each other Credit Document (other than contingent or indemnification obligations not then due and payable) as of such date in respect of all Loans on the earlier of (X) the Termination Date and (Y) the Maturity Date.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to the appropriate lending office of such Lender resulting from each Loan made by such lending office from time to time, including the amounts of principal and interest payable and paid to such lending office from time to time under this Agreement.

(c) The Administrative Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain the Register pursuant to Section 13.6(b)(iv), and a subaccount for each Lender, in which Register and subaccounts (taken together) shall be recorded (i) the amount of each Loan made hereunder, the Type of each Loan made and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder from the Borrower and each Lender's share thereof.

(d) The entries made in the Register and accounts and subaccounts maintained pursuant to clauses (b) and (c) of this Section 2.5 shall, to the extent permitted by applicable Requirements of Law, be prima facie evidence of the existence and amounts of the obligations of the Borrower therein recorded; *provided*, *however*, that the failure of any Lender or the Administrative Agent to maintain such account, such Register or such subaccount, as applicable, or any error therein, shall not in any manner affect the obligation of the Borrower to repay (with applicable interest) the Loans made to the Borrower by such Lender in accordance with the terms of this Agreement.

(e) If requested by a Lender, the Loans made by each Lender shall be evidenced by a single promissory note of the Borrower in substantially the form of Exhibit H, dated, in the case of (i) any Lender party hereto as of the Closing Date, as of the Closing Date, (ii) any Lender that becomes a party hereto pursuant to an Assignment and Assumption or amendment or other modification to this Agreement, as of the effective date of the Assignment and Assumption, amendment or other modification, as applicable, or (iii) in the case of any Lender that becomes a party hereto in connection with an increase in the Aggregate Elected Commitment Amount pursuant to Section 2.16(c), as of the effective date of such increase, in each case, payable to such Lender in a principal amount equal to its Maximum Credit Amount as in effect on such date, and otherwise duly completed. In the event that any Lender's Maximum Credit Amount increases or decreases for any reason (whether pursuant to Section 2.16, Section 13.6(b) or otherwise), the Borrower shall deliver or cause to be delivered, to the extent such Lender is then holding a Note, on the effective date of such increase or decrease, a new Note payable to such Lender in a principal amount equal to its Maximum Credit Amount after giving effect to such increase or decrease, and otherwise duly completed and such Lender shall promptly return to the Borrower the previously issued Note held by such Lender. The date, amount, Type, interest rate and, if applicable, Interest Period of each Loan made by each Lender, and all payments made on account of the principal thereof, shall be recorded by such Lender on its books and/or its Note, if applicable. Failure to make any such recordation shall not affect any Lender's or the Borrower's rights or obligations in respect of Loans by a Lender or affect the validity of any transfer by a Lender of its Note.

2.6 Conversions and Continuations.

(a) Subject to the penultimate sentence of this clause (a), (i) the Borrower shall have the option on any Business Day to convert all or a portion equal to at least the Minimum Borrowing Amount (and in multiples of $100,000 in excess thereof) of the outstanding principal amount of Loans of one Type into a Borrowing or Borrowings of another Type and (ii) the Borrower shall have the option on any Business Day to continue the outstanding principal amount of any LIBOR Loans as LIBOR Loans for an additional Interest Period; *provided* that (A) no partial conversion of LIBOR Loans shall reduce the outstanding principal amount of LIBOR Loans made pursuant to a single Borrowing to less than the Minimum Borrowing Amount, (B) ABR Loans may not be converted into LIBOR Loans if an Event of Default is in existence on the date of the conversion and the Administrative Agent has or the Majority Lenders have determined in its or their sole discretion not to permit such conversion, (C) LIBOR Loans may not be continued as LIBOR Loans for an additional Interest Period if an Event of Default is in existence on the date of the proposed continuation and the Administrative Agent has or the Majority Lenders have determined in its or their sole discretion not to permit such continuation, and (D) Borrowings resulting from conversions pursuant to this Section 2.6 shall be limited in number as provided in Section 2.2. Each such conversion or continuation shall be effected by the Borrower by giving the Administrative Agent at the Administrative Agent's Office prior to 2:00 p.m. (New York City time) at least (1) three (3) Business Days', in the case of a continuation of or conversion to LIBOR Loans or (2) the date of conversion, in the case of a conversion into ABR Loans, prior written notice (or telephonic notice promptly confirmed in writing) (each, a "Notice of Conversion or Continuation") specifying the Loans to be so converted or continued, the Type of Loans to be converted into or continued and, if such Loans are to be converted into or continued as LIBOR Loans, the Interest Period to be initially applicable thereto (if no Interest Period is selected, the

Borrower shall be deemed to have selected an Interest Period of one month's duration). The Administrative Agent shall give each applicable Lender notice as promptly as practicable of any such proposed conversion or continuation affecting any of its Loans.

(b) If any Event of Default is in existence at the time of any proposed continuation of any LIBOR Loans and the Administrative Agent has or the Majority Lenders have determined in its or their sole discretion not to permit such continuation, such LIBOR Loans shall be automatically converted on the last day of the current Interest Period into ABR Loans. If upon the expiration of any Interest Period in respect of LIBOR Loans, the Borrower has failed to elect a new Interest Period to be applicable thereto as provided in clause (a) above, the Borrower shall be deemed to have elected to continue such Borrowing of LIBOR Loans into a Borrowing of LIBOR Loans having an interest period of one month, effective as of the expiration date of such current Interest Period.

(c) Notwithstanding anything to the contrary herein, the Borrower may deliver a Notice of Conversion or Continuation pursuant to which the Borrower elects to irrevocably continue the outstanding principal amount of any Loan subject to an interest rate Hedge Agreement as LIBOR Loans for each Interest Period until the expiration of the term of such applicable Hedge Agreement; *provided* that any Notice of Conversion or Continuation delivered pursuant to this Section 2.6(c) shall include a schedule attaching the relevant interest rate Hedge Agreement or related trade confirmation.

2.7 Pro Rata Borrowings. Each Borrowing of Loans under this Agreement shall be made by the Lenders pro rata on the basis of their then applicable Commitment Percentages. It is understood that (a) no Lender shall be responsible for any default by any other Lender in its obligation to make Loans hereunder and that each Lender severally but not jointly shall be obligated to make the Loans provided to be made by it hereunder, regardless of the failure of any other Lender to fulfill its commitments hereunder and (b) failure by a Lender to perform any of its obligations under any of the Credit Documents shall not release any Person from performance of its obligation under any Credit Document.

2.8 Interest.

(a) The unpaid principal amount of each ABR Loan shall bear interest from the date of the Borrowing thereof until maturity (whether by acceleration or otherwise) at a rate per annum that shall at all times be the Applicable Margin plus the ABR, in each case, in effect from time to time.

(b) The unpaid principal amount of each LIBOR Loan shall bear interest from the date of the Borrowing thereof until maturity thereof (whether by acceleration or otherwise) at a rate per annum that shall at all times be the Applicable Margin plus the relevant Adjusted LIBOR Rate, in each case, in effect from time to time.

(c) Upon the occurrence and during the continuance of an Event of Default, the Loans and all other amounts outstanding under the Credit Documents shall bear interest at a rate per annum, after as well as before judgment, that is (the "Default Rate") (A) in the case of outstanding principal, fees and other obligations, the rate that would otherwise be applicable thereto plus 2% or (B) in the case of any overdue interest, to the extent permitted by applicable Requirements of Law, the rate described in Section 2.8(a) plus 2% from the date of such non-payment to the date on which such amount is paid in full.

(d) Interest on each Loan shall accrue from and including the date of any Borrowing to but excluding the date of any repayment thereof and shall be payable in Dollars; *provided* that any Loan that is repaid on the same date on which it is made shall bear interest for one day. Except as provided below, interest shall be payable (i) in respect of each ABR Loan, quarterly in arrears on the last Business Day of each March, June, September and December, (ii) in respect of each LIBOR Loan, on the last day of each

Interest Period applicable thereto and, in the case of an Interest Period in excess of three (3) months, on each date occurring at three-month intervals after the first day of such Interest Period, (iii) in respect of each Loan, (A) on any prepayment (on the amount prepaid), (B) at maturity (whether by acceleration or otherwise) and (C) after such maturity, on demand.

(e) All computations of interest hereunder shall be made in accordance with Section 5.5.

(f) The Administrative Agent, upon determining the interest rate for any Borrowing of LIBOR Loans, shall promptly notify the Borrower and the relevant Lenders thereof. Each such determination shall, absent clearly demonstrable error, be final and conclusive and binding on all parties hereto.

2.9 Interest Periods. At the time the Borrower gives a Notice of Borrowing or Notice of Conversion or Continuation in respect of the making of, or conversion into or continuation as, a Borrowing of LIBOR Loans in accordance with Section 2.6(a), the Borrower shall give the Administrative Agent written notice (or telephonic notice promptly confirmed in writing) of the Interest Period applicable to such Borrowing, which Interest Period shall, at the option of the Borrower be a one-, two-, three- or six- or (with the consent of all the Lenders making such LIBOR Loans) a twelve-month period as requested by the Borrower.

Notwithstanding anything to the contrary contained above:

(a) the initial Interest Period for any Borrowing of LIBOR Loans shall commence on the date of such Borrowing (including the date of any conversion from a Borrowing of ABR Loans) and each Interest Period occurring thereafter in respect of such Borrowing shall commence on the day on which the next preceding Interest Period expires;

(b) if any Interest Period relating to a Borrowing of LIBOR Loans begins on the last Business Day of a calendar month or begins on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period, such Interest Period shall end on the last Business Day of the calendar month at the end of such Interest Period;

(c) if any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; *provided* that, if any Interest Period in respect of a LIBOR Loan would otherwise expire on a day that is not a Business Day, but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the next preceding Business Day; and

(d) the Borrower shall not be entitled to elect any Interest Period in respect of any LIBOR Loan if such Interest Period would extend beyond the Maturity Date.

2.10 Increased Costs, Illegality, Changed Circumstances, Etc.

(a) Subject to Section 2.10(d), in the event that (x) in the case of clause (i) below, the Majority Lenders (or the Administrative Agent, as applicable) or (y) in the case of clauses (ii) and (iii) below, any Lender (or the Administrative Agent, as applicable), shall have reasonably determined (which determination shall, absent clearly demonstrable error, be final and conclusive and binding upon all parties hereto):

(i) on any date for determining the Adjusted LIBOR Rate or the LIBOR Rate for any Interest Period that (A) deposits in the principal amounts of the Loans comprising such Borrowing of LIBOR Loans are not generally available in the relevant market or (B) adequate and fair means

do not exist for ascertaining the applicable interest rate on the basis provided for in the definition of LIBOR Rate (including by reason of any changes arising on or after the Closing Date affecting the interbank LIBOR market); or

(ii) that a Change in Law occurring at any time after the Closing Date shall (A) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender, (B) subject any Lender (including any Issuing Bank) and the Administrative Agent to any Tax (other than (i) Indemnified Taxes, (ii) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (iii) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto, or (C) impose on any Lender or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or LIBOR Loans made by such Lender, which results in the cost to such Lender of making, converting into, continuing or maintaining LIBOR Loans or participating in Letters of Credit (in each case hereunder) increasing by an amount which such Lender reasonably deems material or the amounts received or receivable by such Lender hereunder with respect to the foregoing shall be reduced; or

(iii) at any time, that the making or continuance of any LIBOR Loan has become unlawful as a result of compliance by such Lender in good faith with any Requirement of Law (or would conflict with any such Requirement of Law not having the force of law even though the failure to comply therewith would not be unlawful);

then, and in any such event, such Lenders (or the Administrative Agent, in the case of clause (i) and (ii)(B) above) shall within a reasonable time thereafter give notice (if by telephone, confirmed in writing) to the Borrower and to the Administrative Agent of such determination (which notice the Administrative Agent shall promptly transmit to each of the other Lenders). Thereafter (x) in the case of clause (i) above, LIBOR Loans shall no longer be available until such time as the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice by the Administrative Agent no longer exist (which notice the Administrative Agent agrees to give at such time when such circumstances no longer exist), and any Notice of Borrowing or Notice of Conversion or Continuation given by the Borrower with respect to LIBOR Loans that have not yet been incurred shall be deemed rescinded by the Borrower, (y) in the case of clause (ii) above, the Borrower shall pay to such Lender (or the Administrative Agent, as applicable), promptly (but no later than fifteen (15) days) after receipt of written demand therefor such additional amounts as shall be required to compensate such Lender (or the Administrative Agent, as applicable) for such increased costs or reductions in amounts receivable hereunder (it being agreed that a written notice as to the additional amounts owed to such Lender (or the Administrative Agent, as applicable), showing in reasonable detail the basis for the calculation thereof, submitted to the Borrower by such Lender (or the Administrative Agent, as applicable) shall, absent clearly demonstrable error, be final and conclusive and binding upon all parties hereto) and (z) in the case of clause (iii) above, the Borrower shall take one of the actions specified in Section 2.10(b) as promptly as possible and, in any event, within the time period required by applicable Requirements of Law.

(b) At any time that any LIBOR Loan is affected by the circumstances described in Section 2.10(a)(ii) or (iii), the Borrower may (and in the case of a LIBOR Loan affected pursuant to Section 2.10(a)(iii) shall) either if the affected LIBOR Loan is then being made pursuant to a Borrowing, cancel such Borrowing by giving the Administrative Agent telephonic notice (confirmed promptly in writing) thereof on the same date that the Borrower was notified by a Lender pursuant to Section 2.10(a)(ii) or (iii) or if the affected LIBOR Loan is then outstanding, upon at least three (3) Business Days' notice to the Administrative Agent, require the affected Lender to convert each such LIBOR Loan into an ABR Loan;

provided that if more than one Lender are affected at any time, then all affected Lenders must be treated in the same manner pursuant to this Section 2.10(b).

(c) If, after the Closing Date, any Change in Law relating to capital adequacy or liquidity requirements of any Lender or compliance by any Lender or its parent with any Change in Law relating to capital adequacy or liquidity requirements occurring after the Closing Date, has or would have the effect of reducing the rate of return on such Lender's or its parent's capital or assets as a consequence of such Lender's commitments or obligations hereunder to a level below that which such Lender or its parent could have achieved but for such Change in Law (taking into consideration such Lender's or its parent's policies with respect to capital adequacy or liquidity requirements), then from time to time, promptly (but in any event no later than fifteen (15) days) after written demand by such Lender (with a copy to the Administrative Agent), the Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender or its parent for such reduction, it being understood and agreed, however, that a Lender shall not be entitled to such compensation as a result of such Lender's compliance with, or pursuant to any request or directive to comply with, any applicable Requirement of Law as in effect on the Closing Date. Each Lender, upon determining in good faith that any additional amounts will be payable pursuant to this Section 2.10(c), will give prompt written notice thereof to the Borrower, which notice shall set forth in reasonable detail the basis of the calculation of such additional amounts, although the failure to give any such notice shall not, subject to Section 2.13, release or diminish the Borrower's obligations to pay additional amounts pursuant to this Section 2.10(c) upon receipt of such notice.

(d)

(i) Notwithstanding anything to the contrary herein or in any other Credit Document, if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) or (2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Credit Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Credit Document and (y) if a Benchmark Replacement is determined in accordance with clause (3) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Credit Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Credit Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders. If (i) a Benchmark Replacement Date has occurred and the applicable Benchmark Replacement on such Benchmark Replacement Date is a Benchmark Replacement other than the sum of: (a) Term SOFR and (b) the related Benchmark Replacement Adjustment, (ii) subsequently, the Relevant Governmental Body recommends for use a forward-looking term rate based on SOFR and the Borrower requests that the Administrative Agent review the administrative feasibility of such recommended forward-looking term rate for purposes of this Agreement and (iii) following such request from the Borrower, the Administrative Agent determines (in its sole discretion) that such forward-looking term rate is administratively feasible for the Administrative Agent, then the Administrative Agent may (in its sole discretion) provide the Borrower and Lenders with written notice that from and after a date identified in such notice: (i) a Benchmark Replacement Date shall be deemed to have occurred, the Benchmark Replacement on such Benchmark Replacement Date shall be deemed to be a Benchmark Replacement

determined in accordance with clause (1) of the definition of "Benchmark Replacement"; *provided*, however, that if upon such Benchmark Replacement Date the Benchmark Replacement Adjustment is unable to be determined in accordance with clause (1) of the definition of "Benchmark Replacement" and the corresponding definition of "Benchmark Replacement Adjustment", then the Benchmark Replacement Adjustment in effect immediately prior to such new Benchmark Replacement Date shall be utilized for purposes of this Benchmark Replacement (for avoidance of doubt, for purposes of this proviso, such Benchmark Replacement Adjustment shall be the Benchmark Replacement Adjustment which was established in accordance with the definition of "Benchmark Replacement Adjustment" on the date determined in accordance with clauses (a) or (b), as applicable, of the definition of "Benchmark Replacement Date" hereunder) and (ii) such forward-looking term rate shall be deemed to be the forward-looking term rate referenced in the definition of "Term SOFR" for all purposes hereunder or under any Credit Document in respect of any Benchmark setting and any subsequent Benchmark settings, without any amendment to, or further action or consent of any other party to, this Agreement or any other Credit Document. For the avoidance of doubt, if the circumstances described in the immediately preceding sentence shall occur, all applicable provisions set forth in this Section 2.10(d) shall apply with respect to such election of the Administrative Agent as completely as if such forward-looking term rate was initially determined in accordance with clause (1) of the definition of "Benchmark Replacement", including, without limitation, the provisions set forth in Sections 2.10(d)(ii) and (vi).

(ii) In connection with the implementation of a Benchmark Replacement, the Administrative Agent will have the right (in consultation with the Borrower) to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Credit Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Credit Document.

(iii) The Administrative Agent will promptly notify the Borrower and the Lenders of (i) any Benchmark Replacement Date and the related Benchmark Replacement, (ii) the effectiveness of any Benchmark Replacement Conforming Changes, (iii) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 2.10(d)(iv) below and (iv) the commencement of any Benchmark Unavailability Period. For the avoidance of doubt, any notice required to be delivered by the Administrative Agent as set forth in this Section titled "Benchmark Replacement Setting" may be provided, at the option of the Administrative Agent (in its sole discretion), in one or more notices and may be delivered together with, or as part of any amendment which implements any Benchmark Replacement or Benchmark Replacement Conforming Changes. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.10(d), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Credit Document, except, in each case, as expressly required pursuant to this Section 2.10(d).

(iv) Notwithstanding anything to the contrary herein or in any other Credit Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR or USD LIBOR) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or

will be no longer representative, then the Administrative Agent may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(v) Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a LIBOR Loan of, conversion to or continuation of LIBOR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to ABR Loans. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR.

(vi) The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to (i) the administration, submission or any other matter related to the London interbank offered rate or other rates in the definition of "LIBOR Rate" or with respect to any alternative or successor rate thereto, or replacement rate thereof (including, without limitation any Benchmark Replacement implemented hereunder), (ii) the composition or characteristics of any such Benchmark Replacement, including whether it is similar to, or produces the same value or economic equivalence to USD LIBOR (or any other Benchmark) or have the same volume or liquidity as did USD LIBOR (or any other Benchmark), (iii) any actions or use of its discretion or other decisions or determinations made with respect to any matters covered by this Section 2.10(d) including, without limitation, whether or not a Benchmark Transition Event has occurred, the removal or lack thereof of unavailable or non-representative tenors, the implementation or lack thereof of any Benchmark Replacement Conforming Changes, the delivery or non-delivery of any notices required by Section 2.10(d)(iv) above or otherwise in accordance herewith, and (iv) the effect of any of the foregoing provisions of this Section 2.10(d).

2.11 Compensation. If (a) any payment of principal of any LIBOR Loan is made by the Borrower to or for the account of a Lender other than on the last day of the Interest Period for such LIBOR Loan as a result of a payment or conversion pursuant to Section 2.5, 2.6, 2.10, 5.1, 5.2 or 13.7, as a result of acceleration of the maturity of the Loans pursuant to Section 11 or for any other reason, (b) any Borrowing of LIBOR Loans is not made on the date specified in a Notice of Borrowing, (c) any ABR Loan is not converted into a LIBOR Loan on the date specified in a Notice of Conversion or Continuation, (d) any LIBOR Loan is not continued as a LIBOR Loan on the date specified in a Notice of Conversion or Continuation or (e) any prepayment of principal of any LIBOR Loan is not made as a result of a withdrawn notice of prepayment pursuant to Section 5.1 or 5.2, the Borrower shall after the Borrower's receipt of a written request by such Lender (which request shall set forth in reasonable detail the basis for requesting such amount and shall be conclusive and binding in the absence of manifest error), pay to the Administrative Agent (within fifteen (15) days after such request) for the account of such Lender any amounts required to compensate such Lender for any additional losses, costs or expenses that such Lender may reasonably incur as a result of such payment, failure to convert, failure to continue or failure to prepay, including any loss, cost or expense (excluding loss of anticipated profits) actually incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such LIBOR Loan.

2.12 Change of Lending Office. Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Section 2.10(a)(ii), 2.10(a)(iii), 2.10(c), 3.11 or 5.4 with respect to such Lender, it will, if requested by the Borrower use reasonable efforts (subject to overall policy considerations of such Lender) to designate another lending office for any Loans affected by such event; *provided* that such designation does not cause such Lender or its lending office to suffer any economic, legal or regulatory disadvantage, with the object of avoiding the consequence of the event giving rise to the operation of any such Section. Nothing in this Section 2.12 shall affect or postpone any of the obligations of the Borrower or the right of any Lender provided in Section 2.10, 3.11 or 5.4.

2.13 Notice of Certain Costs. Notwithstanding anything in this Agreement to the contrary, to the extent any notice required by Section 2.10 or 2.11 is given by any Lender more than 180 days after such Lender has knowledge (or should have had knowledge) of the occurrence of the event giving rise to the additional cost, reduction in amounts, loss or other additional amounts described in such Sections, such Lender shall not be entitled to compensation under Section 2.10 or 2.11, as the case may be, for any such amounts incurred or accruing prior to the 181st day prior to the giving of such notice to the Borrower; *provided* that if the circumstance giving rise to such claim is retroactive, then such 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

2.14 Borrowing Base.

(a) Initial Borrowing Base. For the period from and including the Closing Date to but excluding the first Redetermination Date, the Borrowing Base shall be equal to $1,200,000,000. Notwithstanding the foregoing, the Borrowing Base may be subject to further adjustments from time to time pursuant to this Section 2.14.

(b) Scheduled and Interim Redeterminations. The Borrowing Base shall be redetermined semi-annually in accordance with this Section 2.14 (a "Scheduled Redetermination"), and, subject to Section 2.14(d), such redetermined Borrowing Base shall become effective and applicable to the Borrower, the Administrative Agent, the Issuing Banks and the Lenders on or about April 1st and October 1st of each year (or as promptly as possible thereafter), commencing on or about April 1, 2021. In addition, following the first Scheduled Redetermination Date of April 1, 2021, (i) the Borrower may at any time, by notifying the Administrative Agent thereof not more than once during any period between Scheduled Redeterminations and not more than once during any fiscal year; and (ii) the Administrative Agent, may at any time, at the written direction of the Required Lenders, by written notice to the Borrower thereof, not more than once during any period between Scheduled Redeterminations and not more than once during any fiscal year, in each case, elect to cause the Borrowing Base to be redetermined between Scheduled Redeterminations (an "Interim Redetermination") in accordance with this Section 2.14. In addition to, and not including and/or limited by the annual Interim Redeterminations allowed above, the Borrower may, by notifying the Administrative Agent thereof, at any time between Scheduled Redeterminations, request additional Interim Redeterminations of the Borrowing Base in the event that a Credit Party acquires Oil and Gas Properties which are to be Borrowing Base Properties with Proved Reserves having a PV-9 value (calculated at the time of acquisition) in excess of five percent (5.0%) of the Borrowing Base in effect immediately prior to such acquisition (and for purposes of the foregoing, the designation of an Unrestricted Subsidiary owning Oil and Gas Properties with Proved Reserves as a Restricted Subsidiary shall be deemed to constitute an acquisition by a Credit Party of Oil and Gas Properties with Proved Reserves).

(c) Scheduled and Interim Redetermination Procedure.

(i) Each Scheduled Redetermination and each Interim Redetermination shall be effectuated as follows: Upon receipt by the Administrative Agent of the Reserve Report, the Reserve Report Certificate, the information provided pursuant to Section 9.14(c) and such other related reports,

data and supplemental information as the Administrative Agent or the Required Lenders may reasonably request (the Reserve Report, such Reserve Report Certificate and such other related reports, data and information being the "Engineering Reports"), the Administrative Agent shall evaluate the information contained in the Engineering Reports and shall in good faith and based upon its sole credit discretion propose a new Borrowing Base (the "Proposed Borrowing Base") based upon such information and such other related information (including the status of title information with respect to the Borrowing Base Properties as described in the Engineering Reports and the existence of any Hedge Agreements) in good faith in accordance with its usual and customary oil and gas lending criteria as they exist at the particular time. For the avoidance of doubt, in the case of an Interim Redetermination, the Administrative Agent may utilize the Engineering Reports delivered in connection with the last Scheduled Redetermination, provided, however, the Administrative Agent may in its sole discretion request Borrower-generated supplemental Engineering Reports in connection with such Interim Redetermination.

(ii) The Administrative Agent shall notify the Borrower and the Lenders of the Proposed Borrowing Base (the "Proposed Borrowing Base Notice"):

(A) in the case of a Scheduled Redetermination, (1) if the Administrative Agent shall have received the Engineering Reports required to be delivered by the Borrower pursuant to Sections 9.14(a) and (c) in a timely manner, within ten (10) Business Days following its receipt of such Engineering Reports or (2) if the Administrative Agent shall not have received the Engineering Reports required to be delivered by the Borrower pursuant to Sections 9.14(a) and (c) in a timely manner, then promptly after the Administrative Agent has received complete Engineering Reports from the Borrower and has had a reasonable opportunity to determine the Proposed Borrowing Base in accordance with Section 2.14(c)(i); and

(B) in the case of an Interim Redetermination, promptly, and in any event, within fifteen (15) days after the Administrative Agent has received the required Engineering Reports (or such later date to which the Borrower and the Administrative Agent may agree in their respective sole discretion).

(iii) [Reserved].

(iv) Any Proposed Borrowing Base that would increase the Borrowing Base then in effect must be approved by each Lender in each such Lender's sole discretion and consistent with each such Lender's normal and customary oil and gas lending criteria as they exist at the particular time as provided in this Section 2.14(c) and any Proposed Borrowing Base that would decrease or maintain the Borrowing Base then in effect must be approved by Lenders constituting at least the Required Lenders in each such Lender's sole discretion and consistent with each such Lender's normal and customary oil and gas lending criteria as they exist at the particular time as provided in this Section 2.14(c). Upon receipt of the Proposed Borrowing Base Notice, each Lender shall have fifteen (15) Business Days to agree with the Proposed Borrowing Base or disagree with the Proposed Borrowing Base by proposing an alternate Borrowing Base. If at the end of such 15-Business Day period, all of the Lenders, in the case of a Proposed Borrowing Base that would increase the Borrowing Base then in effect, or the Required Lenders, in the case of a Proposed Borrowing Base that would decrease or maintain the Borrowing Base then in effect, have approved, then the Proposed Borrowing Base shall become the new Borrowing Base, effective on the date specified in Section 2.14(d). If, however, at the end of such 15-Business Day period, all Lenders or the Required Lenders, as applicable, have not approved, then the Administrative Agent shall promptly thereafter poll the Lenders to ascertain the highest Borrowing Base then acceptable to (a) in the case of a decrease or reaffirmation, a number of Lenders sufficient to constitute the Required Lenders or (b) in the case of an increase, all of the Lenders, and such amount shall become the new Borrowing Base, effective on the date specified in Section 2.14(d).

(d) Effectiveness of a Redetermined Borrowing Base. Subject to Section 2.14(h), after a redetermined Borrowing Base is approved by each Lender or the Required Lenders, as applicable, pursuant to Section 2.14(c), the Administrative Agent shall promptly thereafter notify the Borrower and the Lenders of the amount of the redetermined Borrowing Base (the "New Borrowing Base Notice"), and such amount shall become the new Borrowing Base, effective and applicable to the Borrower, the Administrative Agent, the Issuing Banks and the Lenders:

(i) in the case of a Scheduled Redetermination, on the earlier to occur of (A) April 1 or October 1, as applicable, following such notice, or (B) if such notice is not delivered on or before April 1 or October 1, as applicable, then on the day of delivery of such New Borrowing Base Notice; and

(ii) in the case of an Interim Redetermination, on the day of delivery of such New Borrowing Base Notice.

Such amount shall then become the Borrowing Base until the next Scheduled Redetermination Date, the next redetermination or modification thereof hereunder. Notwithstanding the foregoing, no Scheduled Redetermination or Interim Redetermination shall become effective until the New Borrowing Base Notice related thereto delivered to the Borrower in accordance with Section 13.2.

(e) Reduction of Borrowing Base Upon Incurrence of Borrowing Base Reduction Debt. The Borrowing Base shall be reduced upon the issuance or incurrence of any Borrowing Base Reduction Debt after the Closing Date (other than Borrowing Base Reduction Debt constituting Permitted Refinancing Indebtedness incurred to Refinance such Indebtedness, but only to the extent that the aggregate principal amount of Permitted Refinancing Indebtedness incurred to Refinance such Indebtedness does not exceed the principal amount of the Refinanced Indebtedness) by an amount equal to the product of 0.33 multiplied by the stated principal amount of such Borrowing Base Reduction Debt (without regard to any original issue discount), and the Borrowing Base as so reduced shall become the new Borrowing Base immediately upon the date of such issuance or incurrence, effective and applicable to the Borrower, the Administrative Agent, the Issuing Banks and the Lenders on such date until the next redetermination or modification thereof hereunder.

(f) Reduction of Borrowing Base Upon Termination of Hedge Positions and Asset Dispositions.

(i) If the Borrower or any Restricted Subsidiary shall terminate, unwind or create any off-setting positions in respect of any commodity hedge positions (whether evidenced by a floor, put or Hedge Agreement) (for the avoidance of doubt, excluding any novation of any Hedge Agreements with respect to which the Borrower or applicable Restricted Subsidiary remains a party), and/or

(ii) If the Borrower or one of the other Credit Parties Disposes of Borrowing Base Properties (including pursuant to an Investment or designation of Unrestricted Subsidiary) or Disposes of any Equity Interests in any Restricted Subsidiary owning Borrowing Base Properties, and

(iii) the sum of (x) the aggregate Borrowing Base Value of all such terminated, unwound and/or offsetting positions (after taking into account any other similar Hedge Agreement executed contemporaneously with the taking of such actions acceptable to the Required Lenders) *plus* (y) the aggregate Borrowing Base Value of all such Borrowing Base Properties Disposed of (after giving effect to any acquisitions of and other investments in Oil and Gas Properties by the

Borrower and the Grantors with respect to which the Borrower has delivered a Reserve Report in accordance with Section 9.14(b) since the last Borrowing Base redetermination or adjustment pursuant to this Section 2.14(f)), in each case, since the later of (A) the most recent Scheduled Redetermination Date and (B) the last adjustment of the Borrowing Base made pursuant to this Section 2.14(f), exceeds 5.0% of the then-effective Borrowing Base, then upon the approval or deemed approval of the Borrowing Base Value pursuant to the definition thereof, the Borrowing Base shall automatically reduce by an amount equal to the sum of (1) the Borrowing Base Value, if any, attributable to such terminated, unwound or off-setting hedge positions in the calculation of the then-effective Borrowing Base (after taking into account any other similar Hedge Agreement executed contemporaneously with the taking of such actions acceptable to the Required Lenders) and (2) an amount equal to the Borrowing Base Value, if any, attributable to such Disposed Borrowing Base Properties in the calculation of the then-effective Borrowing Base (after giving effect to any acquisitions of and other investments in Oil and Gas Properties by the Borrower and the Restricted Subsidiaries with respect to which the Borrower has delivered a Reserve Report in accordance with Section 9.14(b) since the last Borrowing Base redetermination or adjustment pursuant to this Section 2.14(f)). The Administrative Agent shall promptly notify the Borrower in writing of the Borrowing Base Value, if any, attributable to such terminated, unwound or offsetting hedge positions and Disposed of Borrowing Base Properties in the calculation of the then-effective Borrowing Base and, upon receipt of such notice, the Borrowing Base shall be simultaneously reduced by such amount.

(iv) For the purposes of this Section 2.14(f), a "Disposition" of Oil and Gas Properties shall include the designation of a Restricted Subsidiary owning Oil and Gas Properties as an Unrestricted Subsidiary, any Investment or capital contribution of Oil and Gas Properties, and the Disposition or other transfer of Oil and Gas Properties or the Equity Interests in any Restricted Subsidiary owning Oil and Gas Properties to an Unrestricted Subsidiary or any other Person that is not the Borrower or a Guarantor; provided, that the transfer of a Production Sharing Contract to a Production Sharing Entity shall not be deemed a Disposition for purposes of this Section 2.14(f).

(g) Reduction of Borrowing Base Related to Title. If (i) the Borrower fails to provide the information required by Section 9.16(a) within the time periods specified therein or (ii) any title defect or exception requested by the Administrative Agent to be cured pursuant to Section 9.16(b) is not cured within the time period specified therein, the Required Lenders shall have the right to adjust the Borrowing Base upon written notice (which such notice shall include the effective date of reduction) such that, after giving effect to such reduction, the Borrower shall have provided reasonably satisfactory title information in respect of the required percentage of the value of the Borrowing Base Properties, and upon the effective date of the reduction specified in the notice described above, the new Borrowing Base will become effective.

(h) Borrower's Right to Elect Reduced Borrowing Base. Within three (3) Business Days of its receipt of a New Borrowing Base Notice, the Borrower may provide written notice to the Administrative Agent and the Lenders that specifies for the period from the effective date of the New Borrowing Base Notice until the next succeeding Scheduled Redetermination Date, the Borrowing Base will be a lesser amount than the amount set forth in such New Borrowing Base Notice, whereupon such specified lesser amount will become the new Borrowing Base. The Borrower's notice under this Section 2.14(h) shall be irrevocable, but without prejudice to its rights to initiate Interim Redeterminations.

(i) Administrative Agent Data. The Administrative Agent hereby agrees to provide an updated Bank Price Deck to the Borrower promptly, and in any event within three (3) Business Days, following (i) its receipt of a request by the Borrower or (ii) its request for an Interim Redetermination. In addition, the Administrative Agent agrees, upon request, to meet with the Borrower to discuss its evaluation

of the reservoir engineering of the Oil and Gas Properties included in the Reserve Report and their respective methodologies for valuing such properties and the other factors considered in calculating the Borrowing Base.

(j) Spring 2021 Scheduled Redetermination. To the extent Successful Syndication has not occurred prior to the effective date of the Spring 2021 Scheduled Redetermination, the Elected Commitment of each Lender party hereto on the Closing Date (unless such Lender agrees otherwise) will be automatically reduced (with the Elected Commitment of each such Lender being reduced in a proportional amount) to an amount that will result in each Arranger having an Elected Commitment not to exceed $85,000,000 or such other amount as agreed between each such Arranger and the Borrower.

2.15 Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) Commitment Fees shall cease to accrue on the unfunded portion of the Commitment of such Defaulting Lender pursuant to Section 4.1(a);

(b) The Commitment and Total Exposure of such Defaulting Lender shall not be included in determining whether all Lenders, the Majority Lenders or the Required Lenders or each affected Lender have taken or may take any action hereunder (including any consent to any amendment or waiver pursuant to Section 13.1); *provided* that (i) any waiver, amendment or modification requiring the consent of all Lenders pursuant to Section 13.1 (other than Section 13.1(a)(x)) or requiring the consent of each affected Lender pursuant to Section 13.1(a)(i) or (ix) shall require the consent of such Defaulting Lender (which for the avoidance of doubt would include any change to the Maturity Date applicable to such Defaulting Lender, decreasing or forgiving any principal or interest due to such Defaulting Lender, any decrease of any interest rate applicable to Loans made by such Defaulting Lender (other than the waiving of post-default interest rates) and any increase in or extension of such Defaulting Lender's Commitment) and (ii) any redetermination, whether an increase, decrease or affirmation, of the Borrowing Base shall occur without the participation of a Defaulting Lender, but the Commitment (i.e., the Commitment Percentage of the Borrowing Base) of a Defaulting Lender may not be increased without the consent of such Defaulting Lender;

(c) If any Letter of Credit Exposure exists at the time a Lender becomes a Defaulting Lender, then (i) all or any part of such Letter of Credit Exposure of such Defaulting Lender will, subject to the limitation in the first proviso below, automatically be reallocated (effective on the day such Lender becomes a Defaulting Lender) among the Non-Defaulting Lenders pro rata in accordance with their respective Commitment Percentages; *provided* that (A) each Non-Defaulting Lender's Total Exposure may not in any event exceed the Commitment Percentage of the Commitment of such Non-Defaulting Lender as in effect at the time of such reallocation and (B) neither such reallocation nor any payment by a Non-Defaulting Lender pursuant thereto will constitute a waiver or release of any claim the Borrower, the Administrative Agent, the Issuing Banks or any other Lender may have against such Defaulting Lender or cause such Defaulting Lender to be a Non-Defaulting Lender, (ii) to the extent that all or any portion of the Defaulting Lender's Letter of Credit Exposure cannot, or can only partially, be so reallocated to Non-Defaulting Lenders, whether by reason of the first proviso in Section 2.15(c)(i) or otherwise, the Borrower shall within two (2) Business Days following notice by the Administrative Agent Cash Collateralize for the benefit of the applicable Issuing Bank only the Borrower's obligations corresponding to such Defaulting Lender's Letter of Credit Exposure (after giving effect to any partial reallocation pursuant to clause (i) above), in accordance with the procedures set forth in Section 3.7 for so long as such Letter of Credit Exposure is outstanding, (iii) if the Borrower Cash Collateralizes any portion of such Defaulting Lender's Letter of Credit Exposure pursuant to this Section 2.15(c), the Borrower shall not be required to pay any fees to such

Defaulting Lender pursuant to Section 4.1(b) with respect to such Defaulting Lender's Letter of Credit Exposure during the period such Defaulting Lender's Letter of Credit Exposure is Cash Collateralized (and such fees shall be payable to the Issuing Banks), (iv) if the Letter of Credit Exposure of the Non-Defaulting Lenders is reallocated pursuant to this Section 2.15(c), then the Letter of Credit Fees payable for the account of the Lenders pursuant to Section 4.1(b) shall be adjusted in accordance with such Non-Defaulting Lenders' Commitment Percentages and the Borrower shall not be required to pay any Letter of Credit Fees to the Defaulting Lender pursuant to Section 4.1(b) with respect to such Defaulting Lender's Letter of Credit Exposure during the period that such Defaulting Lender's Letter of Credit Exposure is reallocated, or (v) if any Defaulting Lender's Letter of Credit Exposure is neither Cash Collateralized nor reallocated pursuant to this Section 2.15(c), then, without prejudice to any rights or remedies of any Issuing Bank or any Lender hereunder, all Letter of Credit Fees payable under Section 4.1(b) with respect to such Defaulting Lender's Letter of Credit Exposure shall be payable to such Issuing Bank until such Letter of Credit Exposure is Cash Collateralized and/or reallocated;

(d) So long as any Lender is a Defaulting Lender, no Issuing Bank will be required to issue any new Letter of Credit or amend any outstanding Letter of Credit to increase the Stated Amount thereof, alter the drawing terms thereunder or extend the expiry date thereof, unless each Issuing Bank is reasonably satisfied that any exposure that would result from the exposure to such Defaulting Lender is eliminated or fully covered by the Commitments of the Non-Defaulting Lenders or by Cash Collateralization or a combination thereof in accordance with clause (c) above or otherwise in a manner reasonably satisfactory to such Issuing Bank, and participating interests in any such newly issued or increased Letter of Credit shall be allocated among Non-Defaulting Lenders in a manner consistent with Section 2.15(c)(i) (and Defaulting Lenders shall not participate therein);

(e) If the Borrower, the Administrative Agent and each Issuing Bank agree in writing in their discretion that a Lender that is a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon, as of the effective date specified in such notice and subject to any conditions set forth therein, such Lender will cease to be a Defaulting Lender and will be a Non-Defaulting Lender and any applicable Cash Collateral shall be promptly returned to the Borrower and any Letter of Credit Exposure of such Lender reallocated pursuant to Section 2.15(c) shall be reallocated back to such Lender; *provided* that, except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Non-Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender; and

(f) Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of that Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 11 or otherwise, and including any amounts made available to the Administrative Agent by that Defaulting Lender pursuant to Section 13.8), shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by that Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by that Defaulting Lender to each Issuing Bank hereunder; *third*, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which that Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fourth*, if so determined by the Administrative Agent and the Borrower, to be held in a non-interest bearing deposit account and released in order to satisfy obligations of that Defaulting Lender to fund Loans under this Agreement; *fifth*, to the payment of any amounts owing to the Lenders, each Issuing Bank as a result of any final judgment of a court of competent jurisdiction obtained by any Lender, such Issuing Bank against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; *sixth*, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any final judgment of a court of competent jurisdiction

obtained by the Borrower against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; and *seventh*, to that Defaulting Lender or as otherwise directed by a court of competent jurisdiction; *provided* that if such payment is a payment of the principal amount of any Loans or Unpaid Drawings, such payment shall be applied solely to pay the relevant Loans of, and Unpaid Drawings owed to, the relevant non-Defaulting Lenders on a pro rata basis prior to being applied in the manner set forth in this Section 2.15(f). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to Section 3.7 shall be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto.

2.16 Termination, Revision and Reduction of Commitments and Aggregate Maximum Credit Amounts; Increase, Reduction and Termination of Aggregate Elected Commitment Amount.

(a) Scheduled Termination of Commitments. Unless previously terminated, the Commitments shall terminate on the Maturity Date. If at any time the Aggregate Maximum Credit Amounts, the Borrowing Base or the Aggregate Elected Commitment Amount is terminated or reduced to zero, then the Commitments shall terminate on the effective date of such termination or reduction.

(b) Optional Termination and Reduction of Aggregate Maximum Credit Amounts.

(i) The Borrower may at any time terminate, or from time to time reduce, the Aggregate Maximum Credit Amounts; *provided* that (A) each reduction of the Aggregate Maximum Credit Amounts shall be in an amount that is an integral multiple of $1,000,000 and not less than $5,000,000 and (B) the Borrower shall not terminate or reduce the Aggregate Maximum Credit Amounts if, (1) after giving effect to any concurrent prepayment of the Loans in accordance with Section 5.2, the aggregate Total Exposures of all Lenders would exceed the Total Commitment or (2) the Aggregate Maximum Credit Amount would be less than $5,000,000 (unless, with respect to this clause (2), the Aggregate Maximum Credit Amounts are reduced to $0), and (C) upon any reduction of the Aggregate Maximum Credit Amounts that would otherwise result in the Aggregate Maximum Credit Amounts being less than the Aggregate Elected Commitment Amount, the Aggregate Elected Commitment Amount shall be automatically reduced (ratably among the Lenders in accordance with each Lender's Commitment Percentage) so that they equal the Aggregate Maximum Credit Amounts as so reduced.

(ii) The Borrower shall notify the Administrative Agent of any election to terminate or reduce the Aggregate Maximum Credit Amounts under Section 2.16(b)(i) at least three (3) Business Days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by the Borrower pursuant to this Section 2.16(b)(ii) shall be irrevocable; *provided* that a notice of termination or reduction of the Aggregate Maximum Credit Amounts delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities or the closing of a specified transaction, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of the Aggregate Maximum Credit Amounts shall be permanent and may not be reinstated. Each reduction of the Aggregate Maximum Credit Amounts shall be made ratably among the Lenders in accordance with each Lender's Commitment Percentage.

(c) Increases, Reductions and Terminations of Aggregate Elected Commitment Amount.

(i) Subject to the conditions set forth in Section 2.16(c)(ii) and the prior written approval of the Administrative Agent (not to be unreasonably withheld, conditioned or delayed), the Borrower may increase the Aggregate Elected Commitment Amount then in effect by increasing the Elected Commitment of a Lender and/or by causing a Person that is reasonably acceptable to the Administrative Agent that at such time is not a Lender to become a Lender (any such Person that is not at such time a Lender and becomes a Lender, an "Additional Lender"). Notwithstanding anything to the contrary contained in this Agreement, in no case shall an Additional Lender be a natural person, the Borrower or any Affiliate of the Borrower.

(ii) Any increase in the Aggregate Elected Commitment Amount shall be subject to the following additional conditions:

(A) such increase shall not be less than $25,000,000 unless the Administrative Agent otherwise consents, and no such increase shall be permitted if after giving effect thereto the Aggregate Elected Commitment Amount exceeds the Borrowing Base then in effect;

(B) following any Scheduled Redetermination Date, the Borrower may not increase the Aggregate Elected Commitment Amount more than once before the next Scheduled Redetermination Date (for the sake of clarity, all increases in the Aggregate Elected Commitment Amount effective on a single date shall be deemed a single increase in the Aggregate Elected Commitment Amount for purposes of this Section 2.16(c)(ii)(B));

(C) no Default or Event of Default shall have occurred and be continuing on the effective date of such increase;

(D) on the effective date of such increase, no Borrowings of LIBOR Loans shall be outstanding or if any Borrowings of LIBOR Loans are outstanding, then the effective date of such increase shall be the last day of the Interest Period in respect of such Borrowings of LIBOR Loans unless the Borrower pays any compensation required by Section 2.11;

(E) no Lender's Elected Commitment may be increased without the consent of such Lender;

(F) if the Borrower elects to increase the Aggregate Elected Commitment Amount by increasing the Elected Commitment of a Lender, the Borrower and such Lender shall execute and deliver to the Administrative Agent a certificate substantially in the form of Exhibit L (an "Elected Commitment Increase Certificate");

(G) if the Borrower elects to increase the Aggregate Elected Commitment Amount by causing an Additional Lender to become a party to this Agreement, then the Borrower and such Additional Lender shall execute and deliver to the Administrative Agent a certificate substantially in the form of Exhibit M (an "Additional Lender Certificate"), together with an Administrative Questionnaire and a processing and recordation fee of $3,500 (*provided* that the Administrative Agent may, in its discretion, elect to waive such processing and recordation fee in connection with any such increase), the Administrative Agent and the Issuing Banks shall have given their prior written consent (to the extent that such Additional Lender is not an existing Lender's Affiliate and in each case, such consent not to be unreasonably withheld or delayed) and the Borrower shall (1) if requested by the Additional Lender, deliver a Note payable to such Additional Lender in

a principal amount equal to its Maximum Credit Amount, and otherwise duly completed and (2) pay any applicable fees as may have been agreed to between the Borrower and the Additional Lender, and, to the extent applicable and agreed to by the Borrower, the Administrative Agent; and

(H) Until Successful Syndication has occurred and notwithstanding Section 13.6, any increase in the Elected Commitment of an existing Lender or the addition of an Additional Lender, in each case, pursuant to this Section 2.16(c), shall be deemed to be an assignment, on a *pro rata* basis, of the Elected Commitments of each Arranger (or the Lender that is an Affiliate or such Arranger) and each other Lender party to this Agreement on the Closing Date (other than any such increasing Lender) and the related portion of its rights and obligations under this Agreement (including the related portion of its Loans (including participations in L/C Obligations)).

(iii) Subject to acceptance and recording thereof pursuant to Section 2.16(c)(iv), from and after the effective date specified in the Elected Commitment Increase Certificate or the Additional Lender Certificate (or if any Borrowings of LIBOR Loans are outstanding, then the last day of the Interest Period in respect of such Borrowings of LIBOR Loans, unless the Borrower has paid any compensation required by Section 2.11): (A) the amount of the Aggregate Elected Commitment Amount shall be increased as set forth therein, and (B) in the case of an Additional Lender Certificate, any Additional Lender party thereto shall be a party to this Agreement and have the rights and obligations of a Lender under this Agreement and the other Credit Documents. In addition, the Lender or the Additional Lender, as applicable, shall purchase a pro rata portion of the outstanding Loans (and participation interests in Letters of Credit) of each of the other Lenders (and such Lenders hereby agree to sell and to take all such further action to effectuate such sale) such that each Lender (including any Additional Lender, if applicable) shall hold its Commitment Percentage of the outstanding Loans (and participation interests) after giving effect to the increase in the Aggregate Elected Commitment Amount (and the resulting modifications of each Lender's Maximum Credit Amount pursuant to Section 2.16(c)(iv) or Section 2.16(c)(v)).

(iv) Upon its receipt of a duly completed Elected Commitment Increase Certificate or an Additional Lender Certificate, executed by the Borrower and the Lender or by the Borrower and the Additional Lender party thereto, as applicable, the processing and recording fee referred to in Section 2.16(c)(ii), if required, the Administrative Questionnaire referred to in Section 2.16(c)(ii) and the break-funding payments from the Borrower, if any, required by Section 2.11, if applicable, the Administrative Agent shall accept such Elected Commitment Increase Certificate or Additional Lender Certificate and record the information contained therein in the Register required to be maintained by the Administrative Agent pursuant to Section 13.6(b). No increase in the Aggregate Elected Commitment Amount shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this Section 2.16(c)(iv).

(v) Upon any increase in the Aggregate Elected Commitment Amount pursuant to Section 2.16(c)(iv), (A) each Lender's Maximum Credit Amount shall be automatically deemed amended to the extent necessary so that each such Lender's Commitment Percentage equals the percentage of the Aggregate Elected Commitment Amount represented by such Lender's Elected Commitment, in each case after giving effect to such increase, and (B) Schedule 1.1(a) to this Agreement shall be deemed amended to reflect the Elected Commitment of each Lender (including any Additional Lender) as thereby increased, any changes in the Lenders' Maximum Credit Amounts pursuant to the foregoing clause (A), and any resulting changes in the Lenders' Commitment Percentages.

(vi) The Borrower may from time to time terminate or reduce the Aggregate Elected Commitment Amount; provided that (A) each reduction of the Aggregate Elected Commitment Amount shall be in an amount that is an integral multiple of $1,000,000 and not less than $5,000,000 and (B) the Borrower shall not reduce the Aggregate Elected Commitment Amount if, after giving effect to any concurrent prepayment of the Loans in accordance with Section 5.2, the aggregate Total Exposures of all Lenders would exceed the Aggregate Elected Commitment Amount as reduced.

(vii) The Borrower shall notify the Administrative Agent of any election to terminate or reduce the Aggregate Elected Commitment Amount under Section 2.16(c)(vi) at least three (3) Business Days prior to the effective date of such termination or reduction (or such lesser period as may be reasonably acceptable to the Administrative Agent), specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by the Borrower pursuant to this Section 2.16(c)(vii) shall be irrevocable; provided that a notice of termination or reduction of the Aggregate Elected Commitment Amount delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities or the closing of a specified transaction, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date of such termination) if such condition is not satisfied. Any termination or reduction of the Aggregate Elected Commitment Amount shall be permanent and may not be reinstated, except pursuant to Section 2.16(c)(i). Each reduction of the Aggregate Elected Commitment Amount shall be made ratably among the Lenders in accordance with each Lender's Commitment Percentage.

(viii) Upon any redetermination or other adjustment in the Borrowing Base pursuant to this Agreement that would otherwise result in the Borrowing Base becoming less than the Aggregate Elected Commitment Amount, the Aggregate Elected Commitment Amount shall be automatically reduced (ratably among the Lenders in accordance with each Lender's Commitment Percentage) so that they equal such redetermined Borrowing Base (and Schedule 1.1(a) shall be deemed amended to reflect such amendments to each Lender's Elected Commitment and the Aggregate Elected Commitment Amount).

(ix) Contemporaneously with any increase in the Borrowing Base pursuant to this Agreement, if (A) the Borrower elects to increase the Aggregate Elected Commitment Amount and (B) each Lender has consented to such increase in its Elected Commitment, then the Aggregate Elected Commitment Amount shall be increased (ratably among the Lenders in accordance with each Lender's Commitment Percentage) by the amount requested by the Borrower without the requirement that any Lender deliver an Elected Commitment Increase Certificate or that the Borrower pay any amounts under Section 2.11, and Schedule 1.1(a) shall be deemed amended to reflect such amendments to each Lender's Elected Commitment and the Aggregate Elected Commitment Amount. The Administrative Agent shall record the information regarding such increases in the Register required to be maintained by the Administrative Agent pursuant to Section 13.6(b).

(x) If, after giving effect to any reduction in the Aggregate Elected Commitment Amount pursuant to this Section 2.16(c), the aggregate Total Exposures of all Lenders exceeds the Total Commitment, then the Borrower shall (A) prepay the Borrowings on the date of such termination or reduction in an aggregate principal amount equal to such excess, and (B) if any excess remains after prepaying all of the Borrowings as a result of Letter of Credit Exposure, transfer to the Administrative Agent on behalf of the Lenders an amount equal to such excess to be held as cash collateral as provided in Section 3.7.

SECTION 3. LETTERS OF CREDIT

3.1 Letters of Credit.

(a) Subject to and upon the terms and conditions herein set forth, (i) the Existing Letters of Credit shall be refunded, refinanced, replaced and deemed issued hereunder and, on and after the Closing Date, shall constitute Letters of Credit for all purposes hereunder and under the Credit Documents and (ii) at any time and from time to time on and after the Closing Date and prior to the L/C Maturity Date, each Issuing Bank, severally, and not jointly, agrees, in reliance upon the agreements of the Lenders set forth in this Section 3, to issue upon the request of the Borrower and for the direct or indirect benefit of the Borrower and the Restricted Subsidiaries, a letter of credit or letters of credit in Dollars (the "Letters of Credit" and each, a "Letter of Credit") in such form and with such Issuer Documents as may be approved by the applicable Issuing Bank in its reasonable discretion; *provided* that the Borrower shall be a co-applicant of, and jointly and severally liable with respect to, each Letter of Credit issued for the account of a Restricted Subsidiary.

(b) Notwithstanding the foregoing, (i) no Letter of Credit shall be issued the Stated Amount of which, when added to the Letters of Credit Outstanding at such time, would exceed the Letter of Credit Commitment then in effect, (ii) no Letter of Credit shall be issued the Stated Amount of which would cause the aggregate Total Exposures of all Lenders at such time to exceed the Total Commitment then in effect, (iii) each Letter of Credit shall have an expiration date occurring no later than twelve (12) months after the date of issuance or such longer period of time as may be agreed by the applicable Issuing Bank, unless otherwise agreed upon by the Administrative Agent and the applicable Issuing Bank or as provided under Section 3.2(b); *provided* that any Letter of Credit may provide for automatic renewal thereof for additional periods of up to twelve (12) months or such longer period of time as may be agreed upon by the applicable Issuing Bank, subject to the provisions of Section 3.2(b); *provided*, *further*, that in no event shall such expiration date occur later than the L/C Maturity Date unless arrangements which are reasonably satisfactory to the applicable Issuing Bank to Cash Collateralize (or backstop) such Letter of Credit have been made (provided, however, that no Lenders shall be obligated to fund participations in respect of any Letter of Credit after the Maturity Date), (iv) no Letter of Credit shall be issued if it would be illegal under any applicable Requirement of Law for the beneficiary of the Letter of Credit to have a Letter of Credit issued in its favor, (v) no Letter of Credit shall be issued by an Issuing Bank after it has received a written notice from the Administrative Agent or the Majority Lenders stating that a Default or Event of Default has occurred and is continuing until such time as such Issuing Bank shall have received a written notice (A) of rescission of such notice from the party or parties originally delivering such notice, (B) of the waiver of such Default or Event of Default in accordance with the provisions of Section 13.1 or (C) that such Default or Event of Default is no longer continuing and (vi) without the consent of the applicable Issuing Bank, no Letter of Credit shall be issued in any currency other than Dollars.

(c) Upon at least one Business Day's prior written notice (or telephonic notice promptly confirmed in writing) to the Administrative Agent and the applicable Issuing Bank (which notice the Administrative Agent shall promptly transmit to each of the applicable Lenders), the Borrower shall have the right, on any day, permanently to terminate or reduce the Letter of Credit Commitment in whole or in part; *provided* that, after giving effect to such termination or reduction, the Letters of Credit Outstanding (other than with respect to the Existing Letters of Credit) shall not exceed the Letter of Credit Commitment.

(d) The Borrower shall use commercially reasonable efforts to obtain the return and cancellation of the Existing Letters of Credit from the beneficiary thereof within 30 days following the Closing Date.

3.2 Letter of Credit Applications.

(a) Whenever the Borrower desires that a Letter of Credit be issued, amended or renewed for its account on its own behalf, or on behalf of its Restricted Subsidiaries, the Borrower shall hand deliver or telecopy (or transmit by electronic communication, if arrangements for doing so have been approved by the applicable Issuing Bank) to the applicable Issuing Bank and the Administrative Agent a Letter of Credit application, amendment request or any such document in the Issuing Bank's customary form or, if the relevant Issuing Bank does not maintain such a form, in such form as may be approved by the applicable Issuing Bank (each, a "Letter of Credit Application"). Upon receipt of any Letter of Credit Application or amendment request, the applicable Issuing Bank will issue such Letter of Credit or amendment on the second (or such lesser number as may be agreed upon by the Administrative Agent and the Issuing Bank) Business Day after the relevant Letter of Credit Application is received, so long as such Letter of Credit Application is received no later than 3:00 p.m. (New York City time) on such Business Day, or if received after such time or on a day that is not a Business Day, the third Business Day next succeeding receipt of such Letter of Credit Application. No Issuing Bank shall issue any Letters of Credit unless such Issuing Bank shall have received notice from the Administrative Agent that the conditions to such issuance have been met.

(b) If the Borrower so requests in any applicable Letter of Credit Application, the applicable Issuing Bank may, in its sole and absolute discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an "Auto-Extension Letter of Credit"); *provided* that any such Auto-Extension Letter of Credit must permit such Issuing Bank to prevent any such extension at least once in each 12-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "Non-Extension Notice Date") in each such 12-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the applicable Issuing Bank, the Borrower shall not be required to make a specific request to such Issuing Bank for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Lenders shall be deemed to have authorized (but may not require) the applicable Issuing Bank to permit the extension of such Letter of Credit at any time to an expiry date not later than the L/C Maturity Date; *provided*, *however*, that such Issuing Bank shall not permit any such extension if (i) such Issuing Bank has determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (b) of Section 3.1 or otherwise), or (ii) it has received notice (which may be by telephone or in writing) on or before the day that is five (5) Business Days before the Non-Extension Notice Date from the Administrative Agent that one or more of the applicable conditions specified in Section 7 are not then satisfied, and in each such case directing such Issuing Bank not to permit such extension.

(c) Each Issuing Bank (other than the Administrative Agent or any of its Affiliates) shall provide the Administrative Agent with a reasonably detailed notice upon its issuance or amendment of any Letter of Credit, or upon any drawing under any Letter of Credit issued by it; *provided* that, upon written request from the Administrative Agent, such Issuing Bank shall promptly provide the Administrative Agent with a list of all Letters of Credit issued by it that are outstanding at such time.

3.3 Letter of Credit Participations.

(a) Immediately upon the issuance by an Issuing Bank of any Letter of Credit, such Issuing Bank shall be deemed to have sold and transferred to each Lender (each such Lender, in its capacity under this Section 3.3, an "L/C Participant"), and each such L/C Participant shall be deemed irrevocably and unconditionally to have purchased and received from such Issuing Bank, without recourse or warranty, an undivided interest and participation (each an "L/C Participation"), to the extent of such L/C Participant's Commitment Percentage, in each Letter of Credit, each substitute therefor, each drawing made thereunder

and the obligations of the Borrower under this Agreement with respect thereto, and any security therefor or guaranty pertaining thereto.

(b) In determining whether to pay under any Letter of Credit, the relevant Issuing Bank shall have no obligation relative to the L/C Participants other than to confirm that (i) any documents required to be delivered under such Letter of Credit have been delivered, (ii) such Issuing Bank has examined the documents with reasonable care and (iii) the documents appear to comply on their face with the requirements of such Letter of Credit. Any action taken or omitted to be taken by the relevant Issuing Bank under or in connection with any Letter of Credit issued by it, if taken or omitted in the absence of gross negligence or willful misconduct (as finally determined by a court of competent jurisdiction), shall not create for such Issuing Bank any resulting liability.

(c) In the event that an Issuing Bank makes any payment under any Letter of Credit issued by it and the Borrower shall not have repaid such amount in full to such Issuing Bank pursuant to Section 3.4(a), such Issuing Bank shall promptly notify the Administrative Agent (which shall promptly notify each L/C Participant) of such failure, and each such L/C Participant shall promptly and unconditionally pay to the Administrative Agent for the account of such Issuing Bank, the amount of such L/C Participant's Commitment Percentage of such unreimbursed payment in Dollars and in immediately available funds. Each L/C Participant shall make available to the Administrative Agent for the account of the relevant Issuing Bank such L/C Participant's Commitment Percentage of the amount of such payment no later than 1:00 p.m. (New York City time) on the first Business Day after the date notified by such Issuing Bank in immediately available funds. If and to the extent such L/C Participant shall not have so made its Commitment Percentage of the amount of such payment available to the Administrative Agent for the account of the relevant Issuing Bank, such L/C Participant agrees to pay to the Administrative Agent for the account of such Issuing Bank, forthwith on demand, such amount, together with interest thereon for each day from such date until the date such amount is paid to the Administrative Agent for the account of such Issuing Bank at a rate per annum equal to the Overnight Rate from time to time then in effect, plus any administrative, processing or similar fees customarily charged by such Issuing Bank in connection with the foregoing. The failure of any L/C Participant to make available to the Administrative Agent for the account of any Issuing Bank its Commitment Percentage of any payment under any Letter of Credit shall not relieve any other L/C Participant of its obligation hereunder to make available to the Administrative Agent for the account of such Issuing Bank its Commitment Percentage of any payment under such Letter of Credit on the date required, as specified above, but no L/C Participant shall be responsible for the failure of any other L/C Participant to make available to the Administrative Agent such other L/C Participant's Commitment Percentage of any such payment.

(d) Whenever an Issuing Bank receives a payment in respect of an unpaid reimbursement obligation as to which the Administrative Agent has received for the account of such Issuing Bank any payments from the L/C Participants pursuant to clause (c) above, such Issuing Bank shall pay to the Administrative Agent and the Administrative Agent shall promptly pay to each L/C Participant that has paid its Commitment Percentage of such reimbursement obligation, in Dollars and in immediately available funds, an amount equal to such L/C Participant's share (based upon the proportionate aggregate amount originally funded by such L/C Participant to the aggregate amount funded by all L/C Participants) of the principal amount so paid in respect of such reimbursement obligation and interest thereon accruing after the purchase of the respective L/C Participations at the Overnight Rate.

(e) The obligations of the L/C Participants to make payments to the Administrative Agent for the account of an Issuing Bank with respect to Letters of Credit shall be irrevocable and not subject to counterclaim, set-off or other defense or any other qualification or exception whatsoever and shall be made in accordance with the terms and conditions of this Agreement under all circumstances, including under any of the following circumstances:

(i) any lack of validity or enforceability of this Agreement or any of the other Credit Documents;

(ii) the existence of any claim, set-off, defense or other right that the Borrower or any other Person (including an L/C Participant) may have at any time against a beneficiary named in a Letter of Credit, any transferee of any Letter of Credit (or any Person for whom any such transferee may be acting), the Administrative Agent, any Issuing Bank, any Lender or other Person, whether in connection with this Agreement, any Letter of Credit, the transactions contemplated herein or any unrelated transactions (including any underlying transaction between the Borrower and the beneficiary named in any such Letter of Credit);

(iii) any draft, certificate or any other document presented under any Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect;

(iv) the surrender or impairment of any security for the performance or observance of any of the terms of any of the Credit Documents; or

(v) the occurrence of any Default or Event of Default; or

(vi) any other event, condition of circumstance, whether or not similar to the foregoing.

3.4 Agreement to Repay Letter of Credit Drawings.

(a) The Borrower hereby agrees to reimburse the relevant Issuing Bank by making payment in Dollars or to the Administrative Agent for the account of such Issuing Bank (whether with its own funds or with proceeds of the Loans) in immediately available funds, for any payment or disbursement made by such Issuing Bank under any Letter of Credit issued by it (each such amount so paid until reimbursed, an "Unpaid Drawing") (i) within one Business Day of the date of such payment or disbursement if such Issuing Bank provides notice to the Borrower of such payment or disbursement prior to 11:00 a.m. (New York City time) on such next succeeding Business Day (from the date of such payment or disbursement) or (ii) if such notice is received after such time, on the next Business Day following the date of receipt of such notice (such required date for reimbursement under clause (i) or (ii), as applicable, on such Business Day (the "Reimbursement Date")), with interest on the amount so paid or disbursed by such Issuing Bank, from and including the date of such payment or disbursement to but excluding the Reimbursement Date, at the per annum rate for each day equal to the rate described in Section 2.8(a); *provided* that, notwithstanding anything contained in this Agreement to the contrary, with respect to any Letter of Credit, (i) unless the Borrower shall have notified the Administrative Agent and such Issuing Bank prior to 11:00 a.m. (New York City time) on the Reimbursement Date that the Borrower intends to reimburse such Issuing Bank for the amount of such drawing with funds other than the proceeds of Loans, the Borrower shall be deemed to have given a Notice of Borrowing requesting that the Lenders make Loans (which shall be ABR Loans) on the Reimbursement Date in an amount equal to the amount at such drawing, and (ii) the Administrative Agent shall promptly notify each L/C Participant of such drawing and the amount of its Loan to be made in respect thereof, and each L/C Participant shall be irrevocably obligated to make a Loan to the Borrower in the manner deemed to have been requested in the amount of its Commitment Percentage of the applicable Unpaid Drawing by 12:00 noon (New York City time) on such Reimbursement Date by making the amount of such Loan available to the Administrative Agent. Such Loans made in respect of such Unpaid Drawing on such Reimbursement Date shall be made without regard to the Minimum Borrowing Amount and without regard to the satisfaction of the conditions set forth in Section 7. The Administrative Agent shall use the proceeds of such Loans solely for purpose of reimbursing the relevant Issuing Bank for the related Unpaid Drawing. In the event that the Borrower fails to Cash Collateralize any

Letter of Credit that is outstanding on the L/C Maturity Date, the full amount of the Letters of Credit Outstanding in respect of such Letter of Credit shall be deemed to be an Unpaid Drawing subject to the provisions of this Section 3.4 except that such Issuing Bank shall hold the proceeds received from the Lenders as contemplated above as cash collateral for such Letter of Credit to reimburse any Drawing under such Letter of Credit and shall use such proceeds *first*, to reimburse itself for any Drawings made in respect of such Letter of Credit following the L/C Maturity Date, *second*, to the extent such Letter of Credit expires or is returned undrawn while any such cash collateral remains, to the repayment of obligations in respect of any Loans that have not paid at such time and *third*, to the Borrower or as otherwise directed by a court of competent jurisdiction. Nothing in this Section 3.4(a) shall affect the Borrower's obligation to repay all outstanding Loans when due in accordance with the terms of this Agreement.

(b) The obligations of the Borrower under this Section 3.4 to reimburse the relevant Issuing Bank with respect to Unpaid Drawings (including, in each case, interest thereon) shall be absolute, unconditional and irrevocable under any and all circumstances and irrespective of any set-off, counterclaim or defense to payment that the Borrower or any other Person may have or have had against such Issuing Bank, the Administrative Agent or any Lender (including in its capacity as an L/C Participant), including any defense based upon (i) the failure of any drawing under a Letter of Credit (each a "Drawing") to conform to the terms of the Letter of Credit, (ii) any non-application or misapplication by the beneficiary of the proceeds of such Drawing, (iii) any lack of validity or enforceability of any Letter of Credit or this Agreement, or any term or provision therein, (iv) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect or (v) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section 3.4, constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrower's obligations hereunder; *provided* that the foregoing shall not be construed to excuse the relevant Issuing Bank from liability to the Borrower to the extent of any direct damages (as opposed to special, indirect, consequential or punitive damages, claims in respect of which are hereby waived by the Borrower to the extent permitted by applicable law) suffered by the Borrower that are caused by such Issuing Bank's failure to exercise care pursuant to the applicable ICC Rule or applicable law when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The Borrower agrees that any action taken or omitted to be taken by an Issuing Bank under or in connection with any Letter of Credit or the related drafts or documents, if done in the absence of gross negligence or willful misconduct (as finally determined by a court of competent jurisdiction), shall be binding on the Borrower and shall not result in any liability of such Issuing Bank to the Borrower; *provided* that the foregoing shall not be construed to excuse such Issuing Bank from liability to the Borrower to the extent of any direct damages suffered by the Borrower that are caused by such Issuing Bank's failure to exercise care, when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof as determined by a final and non-appealable judgment of a court of competent jurisdiction. In furtherance of the foregoing, the parties hereto agree that, with respect to documents presented which appear on their face to be in compliance with the terms of a Letter of Credit, the Issuing Bank that issued such Letter of Credit may in its sole discretion either accept or make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit (unless the Borrower shall consent to payment thereon not withstanding such lack of strict compliance).

3.5 New or Successor Issuing Bank.

(a) Any Issuing Bank may resign as an Issuing Bank upon thirty (30) days' prior written notice to the Administrative Agent, the Lenders and the Borrower. The Borrower may replace any Issuing Bank for any reason upon written notice to such Issuing Bank and the Administrative Agent and may add Issuing Banks at any time upon notice to the Administrative Agent. If an Issuing Bank shall resign or be replaced,

or if the Borrower shall decide to add a new Issuing Bank under this Agreement, then the Borrower may appoint from among the Lenders (who have agreed to act as successor issuer of Letters of Credit or a new Issuing Bank) a successor issuer of Letters of Credit or a new Issuing Bank, as the case may be, or, with the consent of the Administrative Agent (such consent not to be unreasonably withheld) and such new Issuing Bank, another successor or new issuer of Letters of Credit, whereupon such successor issuer shall succeed to the rights, powers and duties of the replaced or resigning Issuing Bank under this Agreement and the other Credit Documents, or such new issuer of Letters of Credit shall be granted the rights, powers and duties of an Issuing Bank hereunder, and the term "Issuing Bank" shall mean such successor or such new issuer of Letters of Credit effective upon such appointment. The acceptance of any appointment as an Issuing Bank hereunder whether as a successor issuer or new issuer of Letters of Credit in accordance with this Agreement, shall be evidenced by an agreement entered into by such new or successor issuer of Letters of Credit, in a form reasonably satisfactory to the Borrower and the Administrative Agent and, from and after the effective date of such agreement, such new or successor issuer of Letters of Credit shall become an "Issuing Bank" hereunder. After the resignation or replacement of an Issuing Bank hereunder, the resigning or replaced Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement and the other Credit Documents with respect to Letters of Credit issued by it prior to such resignation or replacement, but shall not be required to issue additional Letters of Credit. In connection with any resignation or replacement pursuant to this clause (a) (but, in case of any such resignation, only to the extent that a successor issuer of Letters of Credit shall have been appointed), either (i) the Borrower, the resigning or replaced Issuing Bank and the successor issuer of Letters of Credit shall arrange to have any outstanding Letters of Credit issued by the resigning or replaced Issuing Bank replaced with Letters of Credit issued by the successor issuer of Letters of Credit or (ii) the Borrower shall cause the successor issuer of Letters of Credit, if such successor issuer is reasonably satisfactory to the replaced or resigning Issuing Bank, to issue "back-stop" Letters of Credit naming the resigning or replaced Issuing Bank as beneficiary for each outstanding Letter of Credit issued by the resigning or replaced Issuing Bank, which new Letters of Credit shall have a Stated Amount equal to the Letters of Credit being back-stopped and the sole requirement for drawing on such new Letters of Credit shall be a drawing on the corresponding back-stopped Letters of Credit (for the avoidance of doubt, the Stated Amount of such backstopped Letters of Credit shall no longer be deemed outstanding under the Facility). After any resigning or replaced Issuing Bank's resignation or replacement as Issuing Bank, the provisions of this Agreement relating to an Issuing Bank shall inure to its benefit as to any actions taken or omitted to be taken by it (A) while it was an Issuing Bank under this Agreement or (B) at any time with respect to Letters of Credit issued by such Issuing Bank.

(b) To the extent that there are, at the time of any resignation or replacement as set forth in clause (a) above, any outstanding Letters of Credit, nothing herein shall be deemed to impact or impair any rights and obligations of any of the parties hereto with respect to such outstanding Letters of Credit (including any obligations related to the payment of fees or the reimbursement or funding of amounts drawn), except that the Borrower, the resigning or replaced Issuing Bank and the successor issuer of Letters of Credit shall have the obligations regarding outstanding Letters of Credit described in clause (a) above.

3.6 Role of Issuing Bank. Each Lender and the Borrower agree that, in paying any drawing under a Letter of Credit, no Issuing Bank shall have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the Issuing Banks, the Administrative Agent, any of their respective affiliates nor any correspondent, participant or assignee of any Issuing Bank shall be liable to any Lender for (a) any action taken or omitted in connection herewith at the request or with the approval of the Majority Lenders, (b) any action taken or omitted in the absence of gross negligence or willful misconduct or (c) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. The Borrower hereby assumes all risks of the acts or omissions of any

beneficiary or transferee with respect to its use of any Letter of Credit; *provided* that this assumption is not intended to, and shall not, preclude the Borrower's pursuing such rights and remedies as it may have against the beneficiary or transferee at law or under any other agreement. None of the Issuing Banks, the Administrative Agent, any of their respective affiliates nor any correspondent, participant or assignee of any Issuing Bank shall be liable or responsible for any of the matters described in Section 3.3(e); *provided* that anything in such Section 3.3(e) to the contrary notwithstanding, the Borrower may have a claim against an Issuing Bank, and such Issuing Bank may be liable to the Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the Borrower which the Borrower proves were caused by such Issuing Bank's willful misconduct or gross negligence (as finally determined by a court of competent jurisdiction) or such Issuing Bank's unlawful failure (as finally determined by a court of competent jurisdiction) to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit. In furtherance and not in limitation of the foregoing, any Issuing Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and no Issuing Bank shall be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason.

3.7 Cash Collateral.

(a) (i) Upon the request of the Majority Lenders if, as of the L/C Maturity Date, there are any Letters of Credit Outstanding, or (ii) if the Letter of Credit Exposure exceeds the Letter of Credit Commitment at any time as a result of a reduction in the Borrowing Base or the Elected Commitments, the Borrower shall immediately Cash Collateralize the Letters of Credit Outstanding.

(b) If any Event of Default shall occur and be continuing and the Loans shall have been accelerated in accordance with Section 11, the Majority Lenders may require that the L/C Obligations be Cash Collateralized; *provided* that, upon the occurrence of an Event of Default referred to in Section 11.5 with respect to the Borrower, the Borrower shall immediately Cash Collateralize the Letters of Credit then outstanding and no notice or request by or consent from the Majority Lenders shall be required.

(c) For purposes of this Agreement, "Cash Collateralize" shall mean to (i) pledge and deposit with or deliver to the Administrative Agent, for the benefit of the Issuing Banks and the Lenders, as collateral for the L/C Obligations, cash or deposit account balances ("Cash Collateral") in an amount equal to the amount of the Letters of Credit Outstanding required to be Cash Collateralized (the "Required Cash Collateral Amount") or (ii) if the relevant Issuing Bank benefiting from such collateral shall agree in its reasonable discretion, other forms of credit support (including any backstop letter of credit) in a face amount equal to 103% of the Required Cash Collateral Amount from an issuer reasonably satisfactory to such Issuing Bank, in each case under clause (i) and (ii) above pursuant to documentation in form and substance reasonably satisfactory to the Administrative Agent and the relevant Issuing Bank (which documents are hereby consented to by the Lenders). Derivatives of such term have corresponding meanings. The Borrower hereby grants to the Administrative Agent, for the benefit of the Issuing Banks and the L/C Participants, a security interest in all such cash, deposit accounts and all balances therein and all proceeds of the foregoing. Such cash Collateral shall be maintained in blocked, interest bearing deposit accounts established by and in the name of the Borrower, but under the "control" (as defined in Section 9-104 of the UCC) of the Administrative Agent.

3.8 Applicability of ISP and UCP. The Borrower agrees that any Issuing Bank may issue Letters of Credit hereunder subject to the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce ("ICC") Publication Nos. 600 (2007 Revision) ("UCP 600") or, at

such Issuing Bank's option, such later revision thereof in effect at the time of issuance of the Letter of Credit or the International Standby Practices 1998, ICC Publication No. 590 or, at such Issuing Bank's option, such later revision thereof in effect at the time of issuance of any such Letter of Credit ("ISP 98", and each of the UCP 600 and the ISP 98, an "ICC Rule"). Each Issuing Bank's privileges, rights and remedies under such ICC Rules shall be in addition to, and not in limitation of, its privileges, rights and remedies expressly provided for herein. The Borrower agrees for matters not addressed by the chosen ICC Rule, each Letter of Credit shall be subject to and governed by the laws of the State of New York and applicable United States Federal laws; *provided* that if at Borrower's request, a Letter of Credit chooses a state or country law other than New York State law and United States Federal law or is silent with respect to the choice of an ICC Rule or a governing law, the Issuing Bank shall not be liable for any payment, cost, expense or loss resulting from any action or inaction taken by the Issuing Bank if such action or inaction is or would be justified under an ICC Rule, New York law or applicable United States Federal law, and Borrower shall indemnify Issuing Bank for all such payments, costs, expenses or losses.

3.9 Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

3.10 Letters of Credit Issued for Restricted Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Restricted Subsidiary, the Borrower shall be obligated to reimburse the relevant Issuing Bank hereunder for any and all drawings under such Letter of Credit. The Borrower hereby acknowledges that the issuance of Letters of Credit for the account of Restricted Subsidiaries inures to the benefit of the Borrower, and that the Borrower's business derives substantial benefits from the businesses of such Restricted Subsidiaries.

3.11 Increased Costs. If, after the Closing Date, the adoption of any Change in Law shall either (a) impose, modify or make applicable any reserve, deposit, capital adequacy or similar requirement against Letters of Credit issued by any Issuing Bank, or any L/C Participant's L/C Participation therein, or (b) impose on any Issuing Bank or any L/C Participant any other conditions, costs or expenses affecting its obligations under this Agreement in respect of Letters of Credit or L/C Participations therein or any Letter of Credit or such L/C Participant's L/C Participation therein, and the result of any of the foregoing is to increase the cost to such Issuing Bank or such L/C Participant of issuing, maintaining or participating in any Letter of Credit, or to reduce the amount of any sum received or receivable by such Issuing Bank or such L/C Participant hereunder (other than (i) Taxes indemnifiable under Section 5.4, or (ii) Excluded Taxes) in respect of Letters of Credit or L/C Participations therein, then, promptly (and in any event no later than fifteen (15) days) after receipt of written demand to the Borrower by such Issuing Bank or such L/C Participant, as the case may be (a copy of which notice shall be sent by such Issuing Bank or such L/C Participant to the Administrative Agent), the Borrower shall pay to such Issuing Bank or such L/C Participant such additional amount or amounts as will compensate such Issuing Bank or such L/C Participant for such increased cost or reduction, it being understood and agreed, however, that no Issuing Bank or L/C Participant shall be entitled to such compensation as a result of such Person's compliance with, or pursuant to any request or directive to comply with, any such Requirement of Law as in effect on the Closing Date. A certificate submitted to the Borrower by the relevant Issuing Bank or an L/C Participant, as the case may be (a copy of which certificate shall be sent by such Issuing Bank or such L/C Participant to the Administrative Agent), setting forth in reasonable detail the basis for the determination of such additional amount or amounts necessary to compensate such Issuing Bank or such L/C Participant as aforesaid shall be conclusive and binding on the Borrower absent clearly demonstrable error.

3.12 Independence. The Borrower acknowledges that the rights and obligations of each Issuing Bank under each Letter of Credit issued by it are independent of the existence, performance or nonperformance of any contract or arrangement underlying such Letter of Credit, including contracts or

arrangements between such Issuing Bank and the Borrower (other than the Credit Documents and the Issuer Documents) and between the Borrower and the relevant beneficiary.

SECTION 4. FEES.

4.1 Fees.

(a) The Borrower agrees to pay to the Administrative Agent in Dollars, for the account of each Lender (in each case pro rata according to the respective Commitment Percentages of the Lenders), a commitment fee (the "Commitment Fee") for each day from the Closing Date until but excluding the Termination Date. Each Commitment Fee shall be payable by the Borrower quarterly in arrears on the last Business Day of each March, June, September and December (for the three-month period (or portion thereof) ended on such day for which no payment has been received) and on the Termination Date (for the period ended on such date for which no payment has been received pursuant to clause (i) above), and shall be computed for each day during such period at a rate per annum equal to the Commitment Fee Rate in effect on such day on the Available Commitment in effect on such day.

(b) The Borrower agrees to pay to the Administrative Agent in Dollars for the account of the Lenders pro rata on the basis of their respective Letter of Credit Exposure, a fee in respect of each Letter of Credit (the "Letter of Credit Fee"), for the period from the date of issuance of such Letter of Credit until the termination or expiration date of such Letter of Credit computed at the per annum rate for each day equal to the Applicable Margin for LIBOR Loans on the average daily Stated Amount of such Letter of Credit. Such Letter of Credit Fees shall be due and payable (i) quarterly in arrears on the last Business Day of each March, June, September and December and (ii) on the Termination Date (for the period for which no payment has been received pursuant to clause (i) above).

(c) The Borrower agrees to pay to each Issuing Bank a fee in respect of each Letter of Credit issued by it (the "Fronting Fee"), for the period from the date of issuance of such Letter of Credit to the termination or expiration date of such Letter of Credit, computed at the rate for each day equal to 0.20% per annum (or such other amount as may be agreed in a separate writing between the Borrower and the relevant Issuing Bank) on the average daily Stated Amount of such Letter of Credit (or at such other rate per annum as agreed in writing between the Borrower and the relevant Issuing Bank). Such Fronting Fees shall be due and payable by the Borrower (i) quarterly in arrears on the last Business Day of each March, June, September and December and (ii) on the Termination Date (for the period for which no payment has been received pursuant to clause (i) above).

(d) The Borrower agrees to pay directly to each Issuing Bank upon each issuance of, drawing under, and/or amendment of, a Letter of Credit issued by it such amount as the relevant Issuing Bank and the Borrower shall have agreed upon for issuances of, drawings under or amendments of, letters of credit issued by it.

(e) The Borrower agrees to pay to the Administrative Agent the administrative agent fees in the amounts and on the dates as set forth in writing from time to time between the Administrative Agent and the Borrower.

SECTION 5. PAYMENTS.

5.1 Voluntary Prepayments. The Borrower shall have the right to prepay Loans without premium or penalty, in whole or in part from time to time on the following terms and conditions:

(a) the Borrower shall give the Administrative Agent at the Administrative Agent's Office written notice (or telephonic notice promptly confirmed in writing) of its intent to make such prepayment, the amount of such prepayment and (in the case of LIBOR Loans) the specific Borrowing(s) being prepaid, which notice shall be given by the Borrower no later than 1:00 p.m. (New York City time) (i) in the case of LIBOR Loans, three (3) Business Days prior to the date of such prepayment and (ii) in the case of ABR Loans on the date of such prepayment and shall promptly be transmitted by the Administrative Agent to each of the Lenders;

(b) each partial prepayment of (i) LIBOR Loans shall be in a minimum amount of $500,000 and in multiples of $100,000 in excess thereof or a lesser amount to the extent such lesser amount represents the entire aggregate outstanding LIBOR Loans at such time, and (ii) any ABR Loans shall be in a minimum amount of $500,000 and in multiples of $100,000 in excess thereof or a lesser amount to the extent such lesser amount represents the entire aggregate outstanding ABR Loans at such time; *provided* that no partial prepayment of LIBOR Loans made pursuant to a single Borrowing shall reduce the outstanding LIBOR Loans made pursuant to such Borrowing to an amount less than the applicable Minimum Borrowing Amount for such LIBOR Loans; and

(c) any prepayment of LIBOR Loans pursuant to this Section 5.1 on any day other than the last day of an Interest Period applicable thereto shall be subject to compliance by the Borrower with the applicable provisions of, including any breakage costs as set forth in, Section 2.11.

Each such notice shall specify the date and amount of such prepayment and the Type of Loans to be prepaid. At the Borrower's election in connection with any prepayment pursuant to this Section 5.1, such prepayment shall not be applied to any Loans of a Defaulting Lender.

Notwithstanding anything to the contrary contained in this Agreement, any such notice of prepayment pursuant to Section 5.1 may state that it is conditioned upon the occurrence or non-occurrence of any event specified therein (including the effectiveness of other credit facilities or other transactions), in which case such notice may be revoked by the Borrower (by written notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied.

5.2 Mandatory Prepayments.

(a) Repayment following Optional Reduction of Commitments. If, after giving effect to any termination or reduction of the Aggregate Maximum Credit Amounts pursuant to Section 2.16(b) or of the Aggregate Elected Commitment Amount pursuant to Section 2.16(c), the aggregate Total Exposures of all Lenders exceeds the Total Commitment (as reduced), then the Borrower shall on the same Business Day (i) prepay the Loans on the date of such termination or reduction in an aggregate principal amount equal to such excess and (ii) if any excess remains after prepaying all of the Loans as a result of any Letter of Credit Exposure, pay to the Administrative Agent on behalf of the Issuing Banks and the L/C Participants an amount in cash or otherwise Cash Collateralize an amount equal to such excess as provided in Section 3.7.

(b) Repayment of Loans Following Redetermination or Adjustment of Borrowing Base.

(i) Upon the effectiveness of a redetermination of the Borrowing Base in accordance with Section 2.14(d) or an adjustment of the Borrowing Base pursuant to Section 2.14(g), if a Borrowing Base Deficiency exists, then the Borrower shall, within ten (10) days after (x) its receipt of a New Borrowing Base Notice indicating such Borrowing Base Deficiency or (y) in the case of Section 2.14(g) the effectiveness of a new Borrowing Base, inform the Administrative Agent that it intends to take one or more of the following actions (provided that, if the Borrower fails to inform the Administrative Agent within such ten (10) day period, the Borrower shall be deemed to have

elected (B) below): (A) within thirty (30) days following receipt of the notice provided in clauses (x) and (y) above, prepay the Loans in an aggregate principal amount equal to such excess, (B) prepay the Loans in six equal monthly installments, commencing on the 30th day following receipt of the notice provided in clauses (x) and (y) above, with each payment being equal to l/6th of the aggregate principal amount of such excess, (C) within thirty (30) days following receipt of the notice provided in clauses (x) and (y) above, provide additional Oil and Gas Properties (accompanied by reasonably acceptable Engineering Reports) not evaluated in the most recently delivered Reserve Report (which shall become Mortgaged Properties within the time period prescribed by Section 9.11(c) regardless of whether the Collateral Coverage Minimum is then satisfied) or other Collateral reasonably acceptable to the Administrative Agent having a Borrowing Base Value (as proposed by the Administrative Agent and approved by the Required Lenders) sufficient, after giving effect to any other actions taken pursuant to this Section 5.2(b)(i) to eliminate any such excess, or (D) undertake a combination of clauses (A), (B), and (C); *provided* that if, because of Letter of Credit Exposure, a Borrowing Base Deficiency remains after prepaying all of the Loans, the Borrower shall Cash Collateralize such remaining Borrowing Base Deficiency as provided in Section 3.7; *provided further*, that any Borrowing Base Deficiency must be cured on or prior to the Termination Date.

(ii) Upon any adjustment to the Borrowing Base pursuant to Section 2.14(e), (f) or (h), if a Borrowing Base Deficiency exists, as adjusted, then the Borrower shall, (A) prepay the Loans in an aggregate principal amount equal to such excess and (B) if any excess remains after prepaying all of the Loans as a result of any Letter of Credit Exposure, Cash Collateralize such excess as provided in Section 3.7. Upon any Disposition pursuant to Section 10.4(k) when a Borrowing Base Deficiency exists or would result therefrom (unless the Net Cash Proceeds of such Disposition are sufficient, together with Unrestricted Cash, to eliminate any Borrowing Base Deficiency that exists or would result therefrom), the Borrower shall within one (1) Business Day prepay the Loans in an aggregate principal amount equal to the aggregate Net Cash Proceeds of all such Dispositions in excess of $5,000,000 in any fiscal year. The Borrower shall be obligated to make any prepayment and/or deposit of cash collateral under this clause (ii) no later than one (1) Business Day following the dates of any applicable adjustment of the Borrowing Base; provided that all payments required to be made pursuant to this clause (ii) must be made on or prior to the Termination Date.

(iii) At any time that Permitted Additional Debt (other than Permitted Refinancing Indebtedness in respect thereof) shall be incurred or issued while a Borrowing Base Deficiency exists, the Borrower shall, upon the incurrence or issuance of such Permitted Additional Debt, prepay the Loans in an aggregate principal amount equal to the lesser of (A) one hundred percent (100%) of the Net Cash Proceeds received in respect of such Permitted Additional Debt and (B) the aggregate principal amount equal to (1) such Borrowing Base Deficiency and (2) if excess remains after prepaying all of the Loans as a result of any Letter of Credit Exposure, Cash Collateralize such excess as provided in Section 3.7.

(iv) Upon any Disposition (other than a Disposition pursuant to Section 10.4(a)) pursuant to which any Credit Party receives Net Cash Proceeds in excess of $10,000,000, the Borrower shall, within one (1) Business Day of the receipt of the Net Cash Proceeds of such Disposition, prepay the Loans in an aggregate principal amount equal to the lesser of (A) such Net Cash Proceeds and (B) the outstanding principal amount of the Loans at such time.

(c) Application to Loans. With respect to each prepayment of Loans elected under Section 5.1 or required by Section 5.2, the Borrower may designate (i) the Types of Loans that are to be prepaid and the specific Borrowing(s) being repaid and (ii) the Loans to be prepaid; *provided* that (A) each prepayment of any Loans made pursuant to a Borrowing shall be applied pro rata among such Loans, and

(B) notwithstanding the provisions of the preceding clause (A), no prepayment of Loans shall be applied to the Loans of any Defaulting Lender except in accordance with Section 2.15(f). In the absence of a designation by the Borrower as described in the preceding sentence, the Administrative Agent shall, subject to the above, make such designation in its reasonable discretion with a view, but no obligation, to minimize breakage costs owing under Section 2.11.

(d) LIBOR Interest Periods. In lieu of making any payment pursuant to this Section 5.2 in respect of any LIBOR Loan, other than on the last day of the Interest Period thereof so long as no Event of Default shall have occurred and be continuing, the Borrower at its option may deposit, on behalf of the Borrower, with the Administrative Agent an amount equal to the amount of the LIBOR Loan to be prepaid and such LIBOR Loan shall be repaid on the last day of the Interest Period therefor in the required amount. Such deposit shall be held by the Administrative Agent in a corporate time deposit account established on terms reasonably satisfactory to the Administrative Agent, earning interest at the then customary rate for accounts of such type. The Borrower hereby grants to the Administrative Agent, for the benefit of the Lenders, a security interest in all such cash, deposit accounts and all balances therein and all proceeds of the foregoing. Such deposit shall constitute cash collateral for the LIBOR Loans to be so prepaid; *provided* that the Borrower may at any time direct that such deposit be applied to make the applicable payment required pursuant to this Section 5.2.

(e) Application of Proceeds. The application of proceeds pursuant to this Section 5.2 shall not reduce the aggregate amount of Commitments under the Facility and amounts prepaid may be reborrowed subject to the Available Commitment.

(f) Notwithstanding anything to the contrary in this Section 5.2, no mandatory prepayments of Loans arising from any Disposition of EHP Collateral or Casualty Event in respect of EHP Collateral shall be required if such Disposition or Casualty Event shall have occurred either (A) prior to the EHP Discharge Date or (B) to the extent the proceeds of such Disposition or Casualty Event are used to effect the EHP Discharge Date, substantially concurrently with the EHP Discharge Date.

5.3 Method and Place of Payment.

(a) Except as otherwise specifically provided herein, all payments under this Agreement shall be made by the Borrower without set-off, counterclaim or deduction of any kind, to the Administrative Agent for the ratable account of the Lenders entitled thereto or the Issuing Banks entitled thereto, as the case may be, not later than 2:00 p.m. (New York City time), in each case, on the date when due and shall be made in immediately available funds at the Administrative Agent's Office or at such other office as the Administrative Agent shall specify for such purpose by notice to the Borrower, it being understood that written or facsimile notice by the Borrower to the Administrative Agent to make a payment from the funds in the Borrower's account at the Administrative Agent's Office shall constitute the making of such payment to the extent of such funds held in such account. All repayments or prepayments of any Loans (whether of principal, interest or otherwise) hereunder and all other payments under each Credit Document shall be made in Dollars. The Administrative Agent will thereafter cause to be distributed on the same day (if payment was actually received by the Administrative Agent prior to 2:00 p.m. (New York City time) or, otherwise, on the next Business Day in the sole discretion of the Administrative Agent) like funds relating to the payment of principal or interest or fees ratably to the Lenders or the Issuing Banks, as applicable, entitled thereto.

(b) For purposes of computing interest or fees, any payments under this Agreement that are made later than 2:00 p.m. (New York City time) shall be deemed to have been made on the next succeeding Business Day in the sole discretion of the Administrative Agent. Whenever any payment to be made hereunder shall be stated to be due on a day that is not a Business Day, the due date thereof shall be extended

to the next succeeding Business Day and, with respect to payments of principal, interest shall be payable during such extension at the applicable rate in effect immediately prior to such extension.

5.4 Net Payments.

(a) *Payments Free of Taxes*. Any and all payments by or on account of any obligation of the Borrower under any Credit Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 5.4) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) *Payment of Other Taxes by Borrower*. The Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent or the applicable Lender timely reimburse it for the payment of, any Other Taxes.

(c) *Indemnification by Borrower*. The Borrower shall indemnify each Recipient, within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 5.4) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by any Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(d) *Indemnification by the Lenders*. Each Lender shall severally indemnify the Administrative Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 13.6(c) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Credit Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Credit Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this clause (d).

(e) *Evidence of Payments*. As soon as practicable after any payment of Taxes by the Borrower to a Governmental Authority pursuant to this Section 5.4, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such

payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(f) *Status of Lenders*. (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Credit Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in clauses (ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing:

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or about the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or about the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Credit Document, executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Credit Document, IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed copies of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit J-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, or a "controlled foreign corporation" related to the Borrower as described in

Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of IRS Form W-8BEN or IRS Form W‑8BEN-E; or

(4) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W‑8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit J-2 or Exhibit J-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit J-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or about the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Credit Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(g) *Treatment of Certain Refunds*. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section (including by the payment of additional amounts pursuant to this Section), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this clause (g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority)

in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this clause (g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this clause (g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This clause (g) shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) *Defined Terms*. For purposes of this Section 5.4, the term "applicable law" includes FATCA.

(i) *Survival*. The obligations under and agreements in this Section 5.4 shall survive the resignation or replacement of any Agent, any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments, the termination of this Agreement and any other Credit Document and the payment, satisfaction or discharge of all Obligations under any Credit Document.

5.5 Computations of Interest and Fees.

(a) Except as provided in the next succeeding sentence, interest on LIBOR Loans and ABR Loans shall be calculated on the basis of a 360-day year for the actual days elapsed. Interest on ABR Loans in respect of which the rate of interest is calculated on the basis of the Administrative Agent's prime rate and interest on overdue interest shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed.

(b) Fees and the average daily Stated Amount of Letters of Credit shall be calculated on the basis of a 360-day year for the actual days elapsed.

5.6 Limit on Rate of Interest.

(a) No Payment Shall Exceed Lawful Rate. Notwithstanding any other term of this Agreement, the Borrower shall not be obligated to pay any interest or other amounts under or in connection with this Agreement or otherwise in respect to any of the Obligations in excess of the amount or rate permitted under or consistent with any applicable law, rule or regulation.

(b) Payment at Highest Lawful Rate. If the Borrower is not obliged to make a payment that it would otherwise be required to make, as a result of Section 5.6(a), the Borrower shall make such payment to the maximum extent permitted by or consistent with applicable laws, rules and regulations.

(c) Adjustment if Any Payment Exceeds Lawful Rate. If any provision of this Agreement or any of the other Credit Documents would obligate the Borrower or any other Credit Party to make any payment of interest or other amount payable to any Lender in an amount or calculated at a rate that would be prohibited by any applicable Requirement of Law, then notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by applicable Requirements of Law, such adjustment to be effected, to the extent necessary, by reducing the amount or rate of interest required to be paid by the Borrower to the affected Lender under Section 2.8.

(d) Rebate of Excess Interest. Notwithstanding the foregoing, and after giving effect to all adjustments contemplated thereby, if any Lender shall have received from the Borrower an amount in

excess of the maximum permitted by any applicable Requirement of Law, then the Borrower shall be entitled, by notice in writing to the Administrative Agent to obtain reimbursement from that Lender in an amount equal to such excess, and pending such reimbursement, such amount shall be deemed to be an amount payable by that Lender to the Borrower.

SECTION 6. CONDITIONS PRECEDENT TO INITIAL BORROWING.

The initial Borrowing under this Agreement is subject to the satisfaction of the following conditions precedent, except as otherwise agreed or waived pursuant to Section 13.1.

(a) The Administrative Agent (or its counsel) shall have received from the Borrower (i) a counterpart of this Agreement signed on behalf of such party or (ii) written evidence satisfactory to the Administrative Agent (which may include e-mail transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement.

(b) The Administrative Agent (or its counsel) shall have received, on behalf of itself, the Collateral Agent and the Lenders, written opinions of (i) Sullivan & Cromwell LLP, counsel to the Credit Parties, (ii) Vinson & Elkins, LLP, Texas counsel to the Credit Parties and (iii) local counsel in each jurisdiction where Mortgaged Properties are located, in each case (A) dated the Closing Date, (B) addressed to the Administrative Agent, the Collateral Agent, the Lenders and each Issuing Bank and (C) in form and substance satisfactory to the Administrative Agent and customary for transactions of this type. The Borrower, the other Credit Parties and the Administrative Agent hereby instruct such counsel to deliver such legal opinions.

(c) The Administrative Agent shall have received, in the case of each Credit Party, a certificate of the Secretary or Assistant Secretary or similar officer of each Credit Party dated the Closing Date and certifying:

(i) that attached thereto is a true and complete copy of the bylaws (or limited liability company agreement or other equivalent governing documents) of such Credit Party as in effect on the Closing Date and at all times since a date prior to the date of the resolutions described in clause (ii) below,

(ii) that attached thereto is a true and complete copy of resolutions duly adopted by the board of directors (or managing member or equivalent) of such Credit Party authorizing the execution, delivery and performance of the Credit Documents to which such person is a party and, in the case of the Borrower, the borrowings hereunder, and that such resolutions have not been modified, rescinded or amended and are in full force and effect on the Closing Date,

(iii) that attached thereto is (A) a true and complete copy of the certificate or articles of incorporation or certificate of formation, including all amendments thereto, of such Credit Party, certified as of a recent date by the Secretary of State (or other similar official) of the jurisdiction of its organization, (B) a certificate as to the good standing (to the extent such concept or a similar concept exists under the laws of such jurisdiction) of each such Credit Party in the jurisdiction in which it is formed or organized as of a recent date from such Secretary of State (or other similar official), which has not been amended and, (C) if available after the use of commercially reasonable efforts by the Borrower, a certificate as to the good standing (to the extent such concept or a similar concept exists under the laws of such jurisdiction) of each Credit Party in each jurisdiction where such Credit Party owns material Borrowing Base Properties (other than in the jurisdiction where such Credit Party is formed or organized), as of a recent date from the Secretary of State (or other similar official) of such jurisdiction, which has not been amended,

(iv) as to the incumbency and specimen signature of each officer executing any Credit Document or any other document delivered in connection herewith on behalf of such Credit Party, and

(v) a certificate of a director or an officer as to the incumbency and specimen signature of the Secretary or Assistant Secretary or similar officer executing the certificate pursuant to subclause (ii) above.

(d) The Administrative Agent shall have received a promissory note substantially in the form of Exhibit H executed by the Borrower in favor of each Lender that has requested a promissory note, evidencing the Loans owing to such Lender.

(e) The Administrative Agent (or its counsel) shall have received executed copies of the Guarantee, executed by each Person which will be a Guarantor on the Closing Date.

(f) (i) The Administrative Agent (or its counsel) shall have received copies of the Collateral Agreement, the Mortgages (subject to Section 9.9), UCC financing statements and each other Security Document that is required to be executed on the Closing Date, duly executed by each Credit Party party thereto, together with evidence that all other actions, recordings and filings required by the Security Documents as of the Closing Date or that the Collateral Agent may deem reasonably necessary to (A) create the Liens intended to be created by any Security Document and perfect such Liens to the extent required by, and with the priority required by, such Security Document shall have been delivered to the Collateral Agent for filing, registration or recording and (B) comply with Section 9.11, in each case shall have been taken, completed or otherwise provided for in a manner reasonably satisfactory to the Administrative Agent.

(ii) All Equity Interests directly owned by the Borrower or any Subsidiary Grantor, in each case as of the Closing Date, shall have been pledged pursuant to the Collateral Agreement (except that such Credit Parties shall not be required to pledge any Excluded Equity Interests) and the Collateral Agent shall have received all certificates, if any, representing such securities pledged under the Collateral Agreement, accompanied by instruments of transfer and/or undated powers endorsed in blank.

(iii) The Administrative Agent shall have received customary UCC, tax and judgment lien searches with respect to the Borrower and the Grantors in their applicable jurisdictions of organization, reflecting the absence of Liens and security interests other than those being released on or prior to the Closing Date or which are otherwise permitted under the Credit Documents.

(g) All representations and warranties made by any Credit Party contained herein or in the other Credit Documents are true and correct in all material respects on and as of the Closing Date (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date and except that any representation and warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct (after giving effect to any qualification therein) in all respects on such respective dates) and the Administrative Agent shall have received a certificate of an Authorized Officer of the Borrower certifying as to the satisfaction of such condition.

(h) The Administrative Agent shall have received (i) satisfactory audited consolidated financial statements of the Borrower for the fiscal year ended December 31, 2019 and satisfactory unaudited consolidated financial statements of the Borrower for each fiscal quarter thereafter ending at least 45 days prior to the Closing Date and (ii) a pro forma unaudited consolidated balance sheet of the Borrower and its Subsidiaries as of the Closing Date, after giving effect to the initial Borrowing under this Agreement, the

application of the proceeds thereof and to the other transactions contemplated to occur on the Closing Date, certified by the Borrower's chief financial officer, which shall reflect no Indebtedness other than the Loans made by the Lenders on the Closing Date and other Indebtedness permitted by the Credit Documents (excluding any Permitted Additional Debt) (collectively, the "Closing Date Financials").

(i) The Administrative Agent shall have received (i) the Initial Reserve Report and (ii) lease operating statements and production reports with respect to the Oil and Gas Properties evaluated in the Initial Reserve Report, in form and substance satisfactory to the Administrative Agent, for the fiscal year ended December 31, 2019 and for each fiscal quarter ending thereafter ending at least 45 days prior to the Closing Date.

(j) On the Closing Date, the Administrative Agent (or its counsel) shall have received (i) a solvency certificate (giving effect to the Chapter 11 Plan) substantially in the form of Exhibit I hereto and signed by a Financial Officer of the Borrower and (ii) a Notice of Borrowing satisfying the requirements of Section 2.3(a).

(k) The Administrative Agent shall have received evidence that the Borrower has (i) obtained and effected all insurance required to be maintained pursuant to the Credit Documents and (ii) caused the Administrative Agent to be named as lender loss payee and/or additional insured under each insurance policy with respect to such insurance, as applicable.

(l) All fees and expenses required to be paid hereunder and invoiced, including, without limitation, the reasonable and documented fees and expenses of Latham & Watkins LLP, counsel to the Administrative Agent, shall have been paid in full in cash or netted from the proceeds of the initial funding under the Facility, to the extent applicable.

(m) (i) The Administrative Agent (or its counsel) and the Lenders shall have received at least three (3) Business Days prior to the Closing Date all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, the Patriot Act, that has been requested by the Administrative Agent in writing at least five (5) Business Days prior to the Closing Date and (ii) to the extent the Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, at least three (3) Business Days prior to the Closing Date, any Lender that has requested, in a written notice to the Borrower at least five (5) Business Days prior to the Closing Date, a Beneficial Ownership Certification in relation to the Borrower, shall have received such Beneficial Ownership Certification (*provided* that, upon the execution and delivery by such Lender of its signature page to this Agreement, the condition set forth in this clause (ii) shall be deemed to be satisfied).

(n) The Credit Parties shall have delivered title information to the Administrative Agent (or its counsel) as the Administrative Agent may reasonably require satisfactory to the Administrative Agent setting forth the status of title to at least 85% of the PV-9 value (excluding the PV-9 of any Production Sharing Contracts) of the Borrowing Base Properties (excluding any Oil and Gas Properties subject to Production Sharing Contracts) evaluated in the Initial Reserve Report.

(o) The Borrower shall have received, or shall receive simultaneously with the occurrence of the Closing Date, no less than $450,000,000 in aggregate cash common equity proceeds *less* the amount of common equity that is issued solely in exchange for loans held by lenders under the Junior DIP Facility.

(p) The Administrative Agent shall have received a certificate of an Authorized Officer of the Borrower certifying (a) that the Borrower and its Restricted Subsidiaries have received all material third-party and governmental consents and approvals required by the terms of the Credit Documents, (b) since

December 31, 2019, there has not been any material adverse change in, or Material Adverse Effect on the business, operations, property, liabilities (actual or contingent) or condition (financial or otherwise) of the Credit Parties, taken as a whole, other than any change, event or occurrence, arising individually or in the aggregate, from (i) events that could reasonably be expected to result from the filing or commencement of the Chapter 11 Cases or the announcement of the filing or commencement of the Chapter 11 Cases and (ii) any circumstances or conditions disclosed in writing to the Administrative Agent and the Lenders prior to the Closing Date resulting from or arising out of the COVID-19 pandemic and (c) at the time of the initial Borrowing under this Agreement and also after giving effect thereto no Default or Event of Default shall have occurred and be continuing.

(q) The Administrative Agent shall be reasonably satisfied that after the initial Borrowing under this Agreement on the Closing Date, the application of the proceeds thereof and after giving effect to the other transactions contemplated hereby, Liquidity shall be not less than $300,000,000.

(r) The Administrative Agent shall have received evidence reasonably satisfactory to it that (a) all loans, commitments and other obligations under the DIP Facilities are being repaid in full, the DIP Facilities are being terminated, and the liens securing the DIP Facilities are being released, in each case substantially contemporaneously with the proceeds of the initial Borrowing under this Agreement and (b) allowed 2016 Term Loan Claims, 2017 Term Loan Claims, Second Lien Notes Claims, and Unsecured Notes Claims (each as defined in the Chapter 11 Plan) shall each have been satisfied through the treatment provided for each such claim under the Chapter 11 Plan in accordance with the Chapter 11 Plan. After giving effect to the transactions contemplated hereby, the Borrower and its Subsidiaries shall have no Indebtedness other than the Loans made by the Lenders on the Closing Date and other Indebtedness permitted by the Credit Documents (excluding any Permitted Additional Debt). The Administrative Agent shall have received evidence satisfactory to it that all liens on the assets of the Borrower and its Subsidiaries (other than liens permitted by the Credit Documents) have been (or will be concurrently with the initial funding under the Facility) released or terminated and that duly executed recordable releases and terminations in forms reasonably acceptable to the Administrative Agent with respect thereto have been obtained by the Borrower and its Subsidiaries.

(s) The Bankruptcy Court's *Order (I) Approving The Debtors' Disclosure Statement, (II) Confirming The Debtors' Joint Plan Of Reorganization, and (III) Approving the Assumption and Performance Under (A) The Backstop Commitment Agreement and (B) The Restructuring Support Agreement*, Docket No. 626 entered in the Chapter 11 Cases shall be in full force and effect, unstayed and final, and shall not have been amended, supplemented or otherwise modified without the written consent of the Administrative Agent.

(t) The Bankruptcy Court shall have entered one or more orders (one of which orders may be the order confirming the Chapter 11 Plan) approving this Agreement and the Credit Documents, in form and substance reasonably satisfactory to the Administrative Agent, which order shall be in full force and effect, unstayed and final, and shall not have been amended, supplemented or otherwise modified without the written consent of the Administrative Agent.

(u) The Chapter 11 Plan and all other related documentation (i) shall be reasonably satisfactory to the Administrative Agent, (ii) shall have been confirmed by an order of the Bankruptcy Court, which order shall be satisfactory to the Administrative Agent, which order shall be in full force and effect, unstayed and final, and shall not have been modified or amended without the written consent of the Administrative Agent, reversed or vacated, (iii) all conditions precedent to the effectiveness of the Chapter 11 Plan as set forth therein shall have been satisfied or waived (the waiver thereof having been approved by the Administrative Agent), and the substantial consummation (as defined in Section 1101 of the Bankruptcy Code) of the Chapter 11 Plan in accordance with its terms shall have occurred

contemporaneously with the Closing Date and (iv) the transactions contemplated by the Chapter 11 Plan to occur on the effective date of the Chapter 11 Plan shall have been substantially consummated (as defined in Section 1101 of the Bankruptcy Code) on the Closing Date and substantially contemporaneously with the initial Borrowing hereunder in accordance with the terms of the Chapter 11 Plan and in compliance with applicable law and Bankruptcy Court and regulatory approvals. Without limiting the generality of the foregoing, the Chapter 11 Plan shall not be satisfactory to the Administrative Agent unless all outstanding obligations under the Borrower's 2016 Credit Agreement, 2017 Credit Agreement, Second Lien Notes Indenture and the Unsecured Notes Indenture (each as defined in that certain Amended and Restated Restructuring Support Agreement, dated as of July 24, 2020, by and among the Company Parties and the Consenting Parties (as defined therein)) are in each case to be extinguished or converted to common equity interests in the Borrower pursuant to the Chapter 11 Plan on terms reasonably satisfactory to the Administrative Agent.

(v) The transactions contemplated by the Second Lien Exit Facility and the EHP Notes shall have been consummated substantially concurrently with, or prior to, the initial Borrowing under this Agreement.

(w) unrestricted cash (with any cash constituting EHP Collateral being deemed "unrestricted" for this purpose) held at the EHP Entities, after giving effect to the initial Borrowing under this Agreement, the application of the proceeds thereof and to the other transactions contemplated to occur on the Closing Date, shall not exceed $25,000,000.

Without limiting the generality of the provisions of Section 12.4, for purposes of determining compliance with the conditions specified in this Section 6, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matters required under this Section 6 to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the Closing Date specifying its objection thereto.

SECTION 7. CONDITIONS PRECEDENT TO ALL SUBSEQUENT CREDIT EVENTS.

The agreement of each Lender to make any Loan requested to be made by it on any date (including the initial Borrowing on the Closing Date, but excluding Loans required to be made by the Lenders in respect of Unpaid Drawings pursuant to Sections 3.3 and 3.4 and subject, in the case of clause (a) below, to the provisions set forth in Section 1.12(a)), and the obligation of any Issuing Bank to issue, amend, renew or extend Letters of Credit on any date (including the Closing Date), is subject to the satisfaction of the following conditions precedent:

(a) At the time of each such Credit Event and also after giving effect thereto, (i) no Default or Event of Default shall have occurred and be continuing and (ii) all representations and warranties made by any Credit Party contained herein or in the other Credit Documents shall be true and correct in all material respects with the same effect as though such representations and warranties had been made on and as of the date of such Credit Event (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date and except that any representation and warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct (after giving effect to any qualification therein) in all respects on such respective dates).

(b) Prior to the making of each Loan (other than any Loan made pursuant to Section 3.4(a)), the Administrative Agent shall have received a Notice of Borrowing (whether in writing or by telephone) meeting the requirements of Section 2.3(a).

(c) Prior to the issuance of each Letter of Credit (or an amendment, extension or renewal of a Letter of Credit except in the case of an automatic extension or renewal), the Administrative Agent and the applicable Issuing Bank shall have received a Letter of Credit Application meeting the requirements of Section 3.2(a).

(d) At the time of and immediately after giving effect to such proposed Credit Event, the Borrower and its Restricted Subsidiaries shall not have Excess Cash in excess of the greater of (i) $50,000,000 and (ii) the lesser of (A) $100,000,000 and (B) an amount equal to ten percent (10%) of the Aggregate Elected Commitment Amount.

The acceptance of the benefits of each Credit Event after the Closing Date shall constitute a representation and warranty by each Credit Party to each of the Lenders that all the applicable conditions specified in Section 7 above have been satisfied as of that time.

SECTION 8. REPRESENTATIONS, WARRANTIES AND AGREEMENTS

In order to induce the Lenders to enter into this Agreement, to make the Loans and issue or participate in Letters of Credit as provided for herein, the Borrower makes, on the date of each Credit Event and on each other date as required or set forth in this Agreement, the following representations and warranties to, and agreements with, the Lenders, all of which shall survive the execution and delivery of this Agreement and the making of the Loans and the issuance of the Letters of Credit:

8.1 Existence, Qualification and Power. Each of the Borrower and each Restricted Subsidiary of the Borrower (a) is duly organized and validly existing under the laws of the jurisdiction of its organization and has the corporate or other organizational power and authority to own its property and assets and to transact its business as now conducted and (b) has duly qualified and is authorized to do business and is in good standing (if applicable) in all jurisdictions where it is required to be so qualified, except where the failure to be so qualified or in good standing would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

8.2 Corporate Power and Authority; Enforceability; Binding Effect. After giving effect to the Confirmation Order and the Chapter 11 Plan, each Credit Party has the corporate or other organizational power and authority to execute, deliver and carry out the terms and provisions of the Credit Documents to which it is a party and has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of the Credit Documents to which it is a party. Each Credit Party has duly executed and delivered each Credit Document to which it is a party and each such Credit Document constitutes the legal, valid and binding obligation of such Credit Party enforceable in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or law).

8.3 No Violation. After giving effect to the Confirmation Order and the Chapter 11 Plan, none of the execution, delivery or performance by any Credit Party of the Credit Documents to which it is a party will (a) contravene any Requirement of Law, except to the extent such contravention would not reasonably be expected to result in a Material Adverse Effect, (b) result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Lien upon any of the property or assets of such Credit Party or any of the Restricted Subsidiaries (other than Liens created under the Credit Documents) pursuant to the terms of any indenture, loan agreement, lease agreement, mortgage, deed of trust, agreement or other instrument to which such Credit Party or any of the Restricted Subsidiaries is a party or by which it or any of its property or assets is bound (any such term, covenant, condition or provision, a "Contractual Requirement") except

to the extent such breach, default or Lien that would not reasonably be expected to result in a Material Adverse Effect or (c) violate any provision of the Organization Documents of such Credit Party or any of the Restricted Subsidiaries.

8.4 Litigation. After giving effect to the Confirmation Order and the Chapter 11 Plan, except as set forth on Schedule 8.4, there are no actions, suits, proceedings, claims or disputes pending or, to the actual knowledge of an Authorized Officer of the Borrower, threatened in writing, at law, in equity, in arbitration or before any Governmental Authority, by or against the Borrower or any of its Restricted Subsidiaries or against any of their properties or revenues that either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

8.5 Margin Regulations. Neither the making of any Loan hereunder nor the use of the proceeds thereof will violate the provisions of Regulation T, Regulation U or Regulation X of the Board. The Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of buying or carrying Margin Stock.

8.6 Governmental Authorization; Confirmation Order. After giving effect to the Confirmation Order and the Chapter 11 Plan, the execution, delivery and performance of each Credit Document do not require any consent or approval of, registration or filing with, or other action by, any Governmental Authority or any other Person, except for (a) such as have been obtained or made and are in full force and effect, (b) filings and recordings in respect of the Liens created pursuant to the Security Documents and (c) such consents, approvals, registrations, filings or actions the failure of which to obtain or make would not reasonably be expected to have a Material Adverse Effect. The Confirmation Order is in full force and effect, not subject to any stay, nor has the Confirmation Order been amended or modified in any manner adverse to the Administrative Agent or the Lenders without the consent of the Administrative Agent.

8.7 Investment Company Act. No Credit Party is an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

8.8 True and Complete Disclosure.

(a) All written factual information delivered by or on behalf of the Borrower or any of its Subsidiaries to the Administrative Agent and the Lenders (other than the Projections, *pro forma* financial information, estimates, forecasts and other forward looking information and information of a general economic nature or general industry nature) (the "Information") concerning the Borrower, the Restricted Subsidiaries, the Transactions and any other transactions contemplated hereby prepared by or on behalf of the foregoing or their representatives and made available to any Lenders or the Administrative Agent in connection with the Transactions or the other transactions contemplated hereby and the negotiation of the Credit Documents (as modified or supplemented by other information so furnished), when taken as a whole, was true and correct in all material respects, as of the date when made and did not, taken as a whole, contain any untrue statement of a material fact as of the date when made or omit to state a material fact necessary in order to make the statements contained therein, taken as a whole, not materially misleading in light of the circumstances under which such statements were made.

(b) The Projections (i) have been prepared in good faith based upon assumptions believed by the Borrower to be reasonable as of the date made (it being understood that such Projections are as to future events and are not to be viewed as facts, the projections are subject to significant uncertainties and contingencies, many of which are beyond the control of the Borrower and the Subsidiaries, that no assurance can be given that any particular projections will be realized and that actual results during the period or periods covered by any such projections may differ from the projected results and such differences may be material) and (ii) as of the Closing Date, have not been modified in any material respect by the Borrower.

(c) As of the Closing Date, neither the Borrower nor any Restricted Subsidiary has any material Indebtedness, any material guarantee obligations, contingent liabilities, off balance sheet liabilities, partnership liabilities for taxes or unusual forward or long-term commitments that, in each case, have not been disclosed in writing to the Administrative Agent.

(d) As of the Closing Date, to the knowledge of the Borrower, the information included in the Beneficial Ownership Certification delivered, on or prior to the Closing Date, to any Lender in connection with this Agreement is true and correct in all respects.

8.9 Tax Matters. Except as would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, each of the Credit Parties and the Restricted Subsidiaries have filed all tax returns required to be filed by it, and have paid all Taxes payable by it (including in its capacity as a withholding agent), except those that are being contested in good faith by appropriate proceedings and as to which adequate reserves have been provided to the extent required by and in accordance with GAAP.

8.10 Compliance with ERISA.

(a) Except as set forth on Schedule 8.10(a) or as would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, each Plan maintained by a Credit Party is in compliance with the applicable provisions of ERISA and the Code and the regulations and published interpretations thereunder and other federal or state laws.

(b) (i) No ERISA Event has occurred during the six (6) year period prior to the date on which this representation is made or deemed made or is reasonably expected to occur; (ii) neither any Credit Party nor any ERISA Affiliate has incurred, or reasonably expects to incur, any liability under Title IV of ERISA with respect to any Pension Plan (other than premiums due and not delinquent under Section 4007 of ERISA); (iii) neither any Credit Party nor any ERISA Affiliate has incurred, or reasonably expects to incur, any liability (and no event has occurred which, with the giving of notice under Section 4219 of ERISA, would result in such liability) under Sections 4201 or 4243 of ERISA with respect to a Multiemployer Plan; and (iv) neither any Credit Party nor any ERISA Affiliate has engaged in a transaction that could be subject to Sections 4069 or 4212(c) of ERISA except, with respect to each of the foregoing clauses of this Section 8.10(b), as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect or the imposition of a Lien on the assets of any Credit Party.

(c) With respect to each Pension Plan, the adjusted funding target attainment percentage as determined by the applicable Pension Plan's Enrolled Actuary under Sections 436(j) and 430(d)(2) of the Code and all applicable regulatory guidance promulgated thereunder ("AFTAP"), would not reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect. Neither any Credit Party nor any ERISA Affiliate maintains or contributes to a Pension Plan that is, or is expected to be, in at-risk status (as defined in Section 303(i)(4) of ERISA or Section 430(i)(4) of the Code) in each case, except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(d) All Foreign Plans are in compliance with, and have been established, administered and operated in accordance with, the terms of such Foreign Plans and applicable law, except for any failure to so comply, establish, administer or operate the Foreign Plans as would not reasonably be expected to have a Material Adverse Effect. All contributions or other payments which are due with respect to each Foreign Plan have been made in full and there are no funding deficiencies thereunder, except to the extent any such events would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

8.11 Subsidiaries. Schedule 8.11 lists each Subsidiary of the Borrower (and the direct and indirect ownership interest of the Borrower therein), in each case existing on the Closing Date (after giving effect to the Transactions). Each Guarantor, Grantor, Material Subsidiary, Excluded Subsidiary and Unrestricted Subsidiary as of the Closing Date (after giving effect to the Transactions) has been so designated on Schedule 8.11.

8.12 Intellectual Property. The Borrower and each of the Restricted Subsidiaries own or have obtained valid rights to use all intellectual property, free from any burdensome restrictions, that to the knowledge of the Borrower is reasonably necessary for the operation of their respective businesses as currently conducted and as proposed to be conducted, except where the failure to obtain any such rights would not reasonably be expected to have a Material Adverse Effect.

8.13 Environmental Laws. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (i) the Credit Parties and each of their respective Subsidiaries are and, since January 1, 2017, have been in compliance with all applicable Environmental Laws and have no liability thereunder; (ii) neither the Credit Parties nor any of their respective Subsidiaries have received written notice of any Environmental Claim, nor are the Credit Parties aware of any reasonable basis for such an Environmental Claim; (iii) neither the Credit Parties nor any of their respective Subsidiaries are conducting or have been ordered by a Governmental Authority to conduct any investigation, removal, remedial, reclamation, closure, or other corrective action pursuant to any Environmental Law related to Hazardous Materials contamination at any location; (iv) neither the Credit Parties nor any of their respective Subsidiaries have treated, stored, transported, Released or disposed or arranged for disposal or transport for disposal of Hazardous Materials at, on, under or from any currently or formerly owned, leased or operated facility or from any other location in a manner that would reasonably be expected to give rise to liability of the Credit Parties or any of their respective Subsidiaries under Environmental Law and (v) there has been no Release, or to the knowledge of any Authorized Officer of the Borrower, threatened Release of any Hazardous Materials at, on or under any properties currently owned or leased by the Borrower or any of its Subsidiaries.

8.14 Properties.

(a) Assuming that all applicable Governmental Authorities have granted approvals, made recordations and taken such other actions as are necessary in connection with the Transactions and any assignments made in connection therewith, and after giving effect to the Confirmation Order and the Chapter 11 Plan, except as set forth on Schedule 8.14 hereto or in an exhibit to any Reserve Report Certificate delivered hereunder, the Borrower and each Restricted Subsidiary has good and defensible title to the Borrowing Base Properties evaluated in the most recently delivered Reserve Report (other than those (i) Disposed of in compliance with this Agreement since delivery of such Reserve Report, (ii) leases that have expired in accordance with their terms and (iii) with title defects disclosed in writing to the Administrative Agent), and valid title to all its material personal properties, in each case, free and clear of all Liens other than Liens permitted by Section 10.2, except in each case where the failure to have such title would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. After giving effect to the Liens permitted by Section 10.2, the Borrower or the Restricted Subsidiary specified as the owner owns the working interests and net revenue interests attributable to the Hydrocarbon Interests as such working interests and net revenue interests are reflected in the most recently delivered Reserve Report, and the ownership of such properties shall not in any material respect obligate the Borrower or such Restricted Subsidiary to bear the costs and expenses relating to the maintenance, development and operations of each such property in an amount in excess of the working interest of each property set forth in the most recently delivered Reserve Report that is not offset by a corresponding proportionate increase in the Borrower's or such Restricted Subsidiary's net revenue interest in such property.

(b) After giving effect to the Confirmation Order and the Chapter 11 Plan, all material leases and agreements necessary for the conduct of the business of the Borrower and the Restricted Subsidiaries are valid and subsisting, in full force and effect, except to the extent that any such failure to be valid or subsisting would not reasonably be expected to have a Material Adverse Effect.

(c) After giving effect to the Confirmation Order and the Chapter 11 Plan, the rights and properties presently owned, leased or licensed by the Borrower and the Restricted Subsidiaries including all easements and rights of way, include all rights and properties necessary to permit the Borrower and the Restricted Subsidiaries to conduct their respective businesses as currently conducted, except to the extent any failure to have any such rights or properties would not reasonably be expected to have a Material Adverse Effect.

(d) After giving effect to the Confirmation Order and the Chapter 11 Plan, all of the properties of the Borrower and the Restricted Subsidiaries that are reasonably necessary for the operation of their businesses are in good working condition and are maintained in accordance with prudent business standards, except to the extent any failure to satisfy the foregoing would reasonably be expected to have a Material Adverse Effect.

(e) Schedule 8.14(e) sets forth, as of the Closing Date, a list of each Building (as defined in applicable Flood insurance Laws) which itself constitutes, or which is located on any real property which constitutes, Material Real Property, together with the street address and/or tax parcel identification number relating thereto.

8.15 Solvency. After giving effect to the Confirmation Order, the Chapter 11 Plan and the Transactions, the Borrower and its Restricted Subsidiaries, on a consolidated basis, are Solvent.

8.16 Security Documents; Restrictions on Liens.

(a) The Security Documents create in favor of the Collateral Agent, for the benefit of the Secured Parties, a legal, valid and enforceable Lien or security interest in the respective Collateral described therein as security for the Obligations to the extent that a legal, valid, binding and enforceable Lien or security interest in such Collateral may be created under any applicable Requirement of Law, which Lien or security interest, upon the filing of financing statements, recordation of the Mortgages or the obtaining of possession or "control," in each case, as applicable, with respect to the relevant Collateral as required under the applicable UCC or applicable local law, will constitute a fully perfected Lien on, and security interest in, all right, title and interest of the Borrower and each other Credit Party thereunder in such Collateral, in each case prior and superior (except as otherwise provided for in the relevant Security Document) in right to any other Person (other than Permitted Liens), in each case to the extent that a security interest may be perfected by the filing of a financing statement under the applicable UCC, recordation of the Mortgages under applicable local law or by obtaining possession or "control."

(b) After giving effect to the Confirmation Order and the Chapter 11 Plan, neither the Borrower nor any of the Restricted Subsidiaries is a party to any material agreement or arrangement (other than those permitted hereunder), or subject to any order, judgment, writ or decree, which either restricts or purports to restrict its ability to grant Liens to the Administrative Agent and the Lenders on or in respect of their Oil and Gas Properties to secure the Obligations and the Credit Documents.

8.17 Gas Imbalances, Prepayments. Except as set forth on Schedule 8.17 on the Closing Date or as set forth in the most recently delivered certificate pursuant to Section 9.14(c)(v):

(a) on a net basis, there are no gas imbalances, take or pay or other prepayments exceeding one half bcf of gas (stated on an mcf equivalent basis) in the aggregate, with respect to the Borrower and the Restricted Subsidiaries' Oil and Gas Properties that would require any Credit Party or Subsidiary thereof to deliver Hydrocarbons either generally or produced from their Borrowing Base Properties at some future time without then or thereafter receiving full payment therefor; and

(b) there are no Service Agreement Undertakings.

8.18 Marketing of Production. Except as set forth on Schedule 8.18 or otherwise disclosed to the Administrative Agent in writing, no material agreements exist (which are not cancelable on 60 days' notice or less without penalty or detriment) for the sale of production of the Borrower and Restricted Subsidiaries' Hydrocarbons at a fixed non-index price (including calls on, or other rights to purchase, production, whether or not the same are currently being exercised) that (i) represent in respect of such agreements 2.5% or more of the Borrower's and its Restricted Subsidiaries' average monthly production of Hydrocarbon volumes and (ii) have a maturity or expiry date of longer than six months.

8.19 Financial Statements.

(a) The annual financial statements delivered as part of the Closing Date Financials and, on and after the first date of delivery of financial statements pursuant to Section 9.1(a), the most recent financial statements delivered pursuant to Section 9.1(a) fairly present in all material respects the financial condition of the Borrower and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby (subject to the impact of fresh start accounting), except for customary year-end adjustments and as otherwise expressly noted therein.

(b) The interim financial statements delivered as part of the Closing Date Financials and, on and after the first date of delivery of financial statements pursuant to Section 9.1(b), the most recent financial statements delivered pursuant to Section 9.1(b) fairly present in all material respects the financial condition of the Borrower and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby (subject to the impact of fresh start accounting), except for the absence of the statements of comprehensive income, equity, cash flows and complete footnotes and as otherwise expressly noted therein.

(c) Since the Closing Date, there has been no event or circumstance, either individually or in the aggregate, that has had or would reasonably be expected to have a Material Adverse Effect.

8.20 OFAC; Patriot Act; FCPA; Use of Proceeds.

(a) To the extent applicable, each of the Borrower and its Subsidiaries is in compliance, in all material respects, with (i) the Trading with the Enemy Act, as amended, the International Emergency Economic Powers Act, as amended, Sanctions Laws, the United States Foreign Corrupt Practices Act of 1977, as amended and other anti-corruption laws, and (ii) the Patriot Act. Neither the Borrower nor any of its Subsidiaries nor, to the knowledge of any Authorized Officer of the Borrower and the other Credit Parties, any director, officer, employee, agent or controlled affiliate of the Borrower or any Subsidiary is currently the subject of any Sanctions, nor is the Borrower or any of its Subsidiaries located, organized or resident in any country or territory that is the subject of comprehensive Sanctions.

(b) The proceeds of the Loans will be used for the purposes set forth in Section 9.12. No part of the proceeds of the Loans will be used, directly or, to the knowledge of any Authorized Officer of the Borrower, indirectly, by the Borrower (i) in violation of the United States Foreign Corrupt Practices Act of

1977, as amended or (ii) for the purpose of financing any activities or business (x) of or with any Person that, at the time of such financing, is the subject of any Sanctions or (y) in any country or territory that is the subject of comprehensive Sanctions.

8.21 Hedge Agreements. Schedule 8.21 sets forth, as of the Closing Date, and after the Closing Date, each report required to be delivered by the Borrower pursuant to Section 9.1(g) or as may otherwise be disclosed in writing to the Administrative Agent sets forth, a true and complete list of all material commodity Hedge Agreements of each Credit Party, the terms thereof relating to the type, term, effective date, termination date and notional amounts or volumes, and all credit support agreements relating thereto (including any margin required or supplied).

8.22 EEA Financial Institutions. Neither the Borrower nor any of its Restricted Subsidiaries is an EEA Financial Institution.

8.23 Compliance with Laws and Agreements; No Default.

(a) After giving effect to the Confirmation Order and the Chapter 11 Plan, each of the Borrower and each Restricted Subsidiary is in compliance with each Requirement of Law applicable to it or its property and all agreements and other instruments binding upon it or its property, and possesses all licenses, permits, franchises, exemptions, approvals and other governmental authorizations necessary for the ownership of its property and the conduct of its business, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

(b) No Default, Event of Default or Borrowing Base Deficiency has occurred and is continuing.

8.24 Insurance. The properties of the Borrower and the Restricted Subsidiaries are insured in the manner contemplated by Section 9.3. No Credit Party owns or leases any Building or Manufactured (Mobile) Home that is Mortgaged Property for which such Credit Party has not delivered to the Collateral Agent evidence or confirmation reasonably satisfactory to the Collateral Agent in accordance with the terms of this Agreement that (i) such Credit Party maintains Flood Insurance for such Building or Manufactured (Mobile) Home or (ii) such Building or Manufactured (Mobile) Home is not located in a Special Flood Hazard Area.

8.25 Foreign Operations. The Borrower and its Restricted Subsidiaries (a) do not have any Foreign Subsidiaries and (b) do not make any material expenditures (whether such expenditure is capital, operating or otherwise) in or related to any Oil and Gas Properties not located within the geographical boundaries, and the territorial waters, of the United States.

SECTION 9. AFFIRMATIVE COVENANTS

The Borrower hereby covenants and agrees that on the Closing Date and thereafter, until Payment in Full has occurred:

9.1 Information Covenants. The Borrower will furnish to the Administrative Agent (which shall promptly make such information available to the Lenders in accordance with its customary practice):

(a) Annual Financial Statements. As soon as available and in any event within five (5) Business Days after the date on which such financial statements are required to be filed with the SEC (after giving effect to any permitted extensions) (but in any event on or before the date that is ninety (90) days after the end of each such fiscal year), the audited consolidated balance sheets of the Borrower and its

Subsidiaries and, if different, the Borrower and the Restricted Subsidiaries, in each case as at the end of such fiscal year, and the related consolidated statements of operations, shareholders' equity and cash flows (or, in lieu of such audited financial statements of the Borrower and the Restricted Subsidiaries, a reconciliation, reflecting such financial information for the Borrower and the Restricted Subsidiaries, on the one hand, and the Borrower and the Subsidiaries, on the other hand, reflecting adjustments necessary to eliminate the accounts of Unrestricted Subsidiaries (if any) from such consolidated financial statements (for the avoidance of doubt, the Borrower shall be deemed to have satisfied the reconciliation requirement if the financial statements provide in one or more footnotes the financial information for the Unrestricted Subsidiaries, the Restricted Subsidiaries and the Borrower and its Subsidiaries on a consolidated basis)) all in reasonable detail and prepared in accordance with GAAP, and, except with respect to such reconciliation, certified by independent certified public accountants of recognized national standing whose opinion shall not be materially qualified with a scope of audit or "going concern" explanatory paragraph or like qualification or exception (other than an emphasis of matter paragraph) (other than with respect to, or resulting from, (x) the occurrence of an upcoming maturity date of any Indebtedness or (y) any prospective or actual default in the Financial Performance Covenants). Notwithstanding the foregoing, the obligations in this Section 9.1(a) may be satisfied with respect to financial information of the Borrower and its consolidated Subsidiaries by furnishing the Borrower's Form 10-K filed with the SEC; *provided* that if such financial information required to be provided under the first sentence of this Section 9.1(a) is included in the notes to the financial statements, such financial statements are accompanied by an opinion of independent certified public accountants whose opinion shall not be materially qualified with a scope of audit or "going concern" explanatory paragraph or like qualification or exception (other than an emphasis of matter paragraph) (other than with respect to, or resulting from, (x) the occurrence of an upcoming maturity date of any Indebtedness or (y) any prospective or actual default in the Financial Performance Covenants).

(b) Quarterly Financial Statements. As soon as available and in any event within five (5) Business Days after the date on which such financial statements are required to be filed with the SEC (after giving effect to any permitted extensions) with respect to each of the first three quarterly accounting periods in each fiscal year of the Borrower (but in any event on or before the date that is sixty (60) days after the end of each such quarterly accounting period), the consolidated balance sheets of the Borrower and the Subsidiaries and, if different, the Borrower and the Restricted Subsidiaries, in each case as at the end of such quarterly period and the related consolidated statements of operations, shareholders' equity and cash flows, and setting forth (other than after implementation of fresh start accounting) comparative consolidated figures for the related periods in the prior fiscal year or, in the case of such consolidated balance sheet, for the last day of such periods in the prior fiscal year (or, in lieu of such unaudited financial statements of the Borrower and the Restricted Subsidiaries, a reconciliation reflecting such financial information for the Borrower and the Restricted Subsidiaries, on the one hand, and the Borrower and the Subsidiaries, on the other hand, reflecting adjustments necessary to eliminate the accounts of Unrestricted Subsidiaries (if any) from such consolidated financial statements (for the avoidance of doubt, the Borrower shall be deemed to have satisfied the reconciliation requirement if the financial statements provide in one or more footnotes the financial information for the Unrestricted Subsidiaries, the Restricted Subsidiaries and the Borrower and its Subsidiaries on a consolidated basis)), all of which shall be certified by a Financial Officer of the Borrower as fairly presenting in all material respects the financial condition, results of operations, shareholders' equity and cash flows, of the Borrower and its consolidated Subsidiaries in accordance with GAAP, subject to changes resulting from audit and normal year-end audit adjustments and the absence of footnotes, together with, if not otherwise required to be filed with the SEC, a customary management discussion and analysis describing the financial condition and results of operations of the Borrower and its Restricted Subsidiaries. Notwithstanding the foregoing, the obligations in this Section 9.1(b) may be satisfied by furnishing the Borrower's Form 10-Q filed with the SEC; *provided* that such financial information required to be provided under the first sentence of this Section 9.1(b) is included in the notes to the financial statements.

(c) Officer's Certificates. At the time of the delivery of the financial statements provided for in Section 9.1(a) and Section 9.1(b), a certificate of a Financial Officer of the Borrower to the effect that no Default or Event of Default exists or, if any Default or Event of Default does exist, specifying the nature and extent thereof, which certificate shall set forth (i) the calculations required to establish whether the Borrower and its Restricted Subsidiaries were in compliance with the Financial Performance Covenants as at the end of such fiscal year or period, as the case may be, (ii) any change in the identity of the Restricted Subsidiaries, Material Subsidiaries, Excluded Subsidiaries, Guarantors, Grantors and Unrestricted Subsidiaries as at the end of such fiscal year or period, as the case may be, from the Restricted Subsidiaries, Guarantors, Grantors and Unrestricted Subsidiaries, respectively, provided to the Lenders on the Closing Date or the most recent fiscal year or period, as the case may be, (iii) a calculation of Distributable Free Cash Flow for the fiscal quarter period ending on the last date of such fiscal year or period, as the case may be, (iv) certification as to the compliance by the Borrower and its Restricted Subsidiaries with Section 9.3 and (v) if applicable, a copy of each other material report or opinion submitted to the Borrower or any of its Subsidiaries by independent accountants in connection with any annual, interim or special audit made by them of the books of the Borrower or any such Subsidiary, and a copy of any response by the Borrower or any such Subsidiary, or the Board of Directors of the Borrower or any such Subsidiary, to such material report or opinion.

(d) Notices. Promptly after an Authorized Officer of the Borrower or any of the Restricted Subsidiaries obtains actual knowledge thereof, notice of (i) the occurrence of any Default or Event of Default, which notice shall specify the nature thereof and what action the Borrower proposes to take with respect thereto, (ii) any litigation or governmental proceeding pending or threatened in writing against the Borrower or any of the Subsidiaries that would reasonably be expected to result in a Material Adverse Effect and (iii) the occurrence of any ERISA Event or similar event with respect to a Foreign Plan, in each case, that would reasonably be expected to have a Material Adverse Effect.

(e) Environmental Matters. Promptly after obtaining actual knowledge of any one or more of the following environmental matters, unless such environmental matters would not, individually, or when aggregated with all other such matters, be reasonably expected to result in a Material Adverse Effect, notice of:

(i) any Environmental Claim brought, filed or threatened in writing against or impacting any Credit Party or any Subsidiary thereof and any ruling, decisions or determinations arising out of any such Environmental Claim;

(ii) any condition or occurrence on any Oil and Gas Properties that (A) would reasonably be expected to result in noncompliance by any Credit Party or any Subsidiary thereof with any applicable Environmental Law or (B) would reasonably be anticipated to form the basis of an Environmental Claim against any Credit Party or any Subsidiary thereof or any Oil and Gas Properties;

(iii) any allegation that any Credit Party or any Subsidiary thereof is a potentially responsible party in connection with any Release of Hazardous Material, or any actual or threatened investigation of any Credit Party or any Subsidiary thereof or Oil and Gas Property by any Governmental Authority pursuant to any Environmental Law;

(iv) any new or modified Environmental Law impacting any Oil and Gas Property;

(v) any condition or occurrence on any Oil and Gas Properties that would reasonably be anticipated to cause such Oil and Gas Properties to be subject to any restrictions on the ownership, occupancy, use or transferability of such Oil and Gas Properties under any Environmental Law; and

(vi) the actual Release or threatened Release of any Hazardous Material on, at, under or from any facility owned or leased by a Credit Party or any Subsidiary thereof in violation of Environmental Laws or as would reasonably be expected to result in liability under Environmental Laws or the conduct of any investigation, or any removal, remedial or other corrective action under Environmental Laws in response to the actual or alleged presence, Release or threatened Release of any Hazardous Material on, at, under or from any facility owned or leased by a Credit Party or any Subsidiary thereof.

All such notices shall describe in reasonable detail the nature of the claim, investigation, condition, occurrence or removal or remedial action.

(f) Other Information. With reasonable promptness, but subject to the limitations set forth in the last sentences of Section 9.2(a) and Section 13.6, such other information regarding the operations, business affairs and the financial condition of the Borrower or the Restricted Subsidiaries as the Administrative Agent on its own behalf or on behalf of any Lender (acting through the Administrative Agent) may reasonably request in writing from time to time.

(g) Certificate of Authorized Officer – Hedge Agreements. On or before the 31st day following the Closing Date, the 46th day following the Closing Date, and thereafter, each March 1 and September 1 of each year, commencing March 1, 2021 and at the time of delivery of each Reserve Report delivered in connection with an Interim Redetermination, a certificate of an Authorized Officer of the Borrower, setting forth (i) the calculations required to establish whether the Borrower and its Restricted Subsidiaries were in compliance with Section 9.18 as of such date and (ii) a true and complete list of all commodity Hedge Agreements of the Borrower and each Credit Party, the material terms thereof (in respect of the type, term, effective date, termination date and notional amounts or volumes), any credit support agreements relating thereto not listed on Schedule 8.21 or on any previously delivered certificate delivered pursuant to this Section 9.1(g) and any margin required or supplied under any credit support document.

(h) [Reserved].

(i) [Reserved].

(j) SEC and Other Filings; Reports to Shareholders. Promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by the Borrower or any Subsidiary with the SEC, or with any national securities exchange and distributed by the Borrower to its shareholders.

(k) Notices Under Material Instruments. Promptly after the furnishing thereof, copies of any financial statement, report or notice furnished to or by any Person pursuant to the terms of any preferred stock designation or agreement governing Material Indebtedness, other than this Agreement and not otherwise required to be furnished to the Lenders pursuant to any other provision of this Section 9.1.

(l) List of Purchasers. If requested by the Administrative Agent, a certificate of an Authorized Officer of the Borrower setting forth a list of Persons purchasing Hydrocarbons from the Borrower or any other Credit Party which collectively account for at least 90% of the revenues resulting from the sale of all Hydrocarbons from the Borrower and such other Credit Parties during the most recently ended fiscal year.

(m) Sales and Dispositions and Hedge Unwinds.

(i) In the event the Borrower or any Restricted Subsidiary intends to Dispose of any Borrowing Base Properties, or Equity Interests in any Person owning Borrowing Base Properties, in each case, with a PV-9 in excess of 3.0% of the then-effective Borrowing Base in a single

transaction or in multiple transactions since the later of (A) the last Scheduled Redetermination Date and (B) the last adjustment of the Borrowing Base made pursuant to Section 2.14(f) when combined with the Swap PV of any Hedge Agreements terminated, unwound, offset or otherwise Disposed of by the Borrower or any Restricted Subsidiary during such time period (for the avoidance of doubt, excluding any novation of any Hedge Agreements with respect to which the Borrower or applicable Restricted Subsidiary remains a party), three (3) Business Days (or such shorter time period agreed by the Administrative Agent) prior written notice (which, for the avoidance of doubt, may be delivered by email) of such Disposition, the Borrowing Base Properties that are the subject of such Disposition, the price thereof and the anticipated date of closing and any other details thereof reasonably requested by the Administrative Agent.

(ii) In the event that the Borrower or any Restricted Subsidiary intends to terminate, unwind, create offsetting positions or otherwise Dispose of Hedge Agreements with respect to which the Borrower reasonably believes the Swap PV of which (after taking into account the economic effect (including with respect to tenor) of any other Hedge Agreement executed contemporaneously with the taking of such actions and including any anticipated decline in the mark-to market value thereof) is in excess of 3.0% of the then-effective Borrowing Base in a single transaction or in multiple transactions since the later of (A) the last Scheduled Redetermination Date and (B) the last adjustment of the Borrowing Base made pursuant to Section 2.14(f) when combined with the Borrowing Base Value of any Disposition of any Borrowing Base Properties, or Equity Interests in any Person owning Borrowing Base Properties made during such time period, prior or same day written notice (which, for the avoidance of doubt, may be delivered by email) of the foregoing, the anticipated decline in the mark-to-market value thereof or net cash proceeds therefrom and any other details thereof reasonably requested by the Administrative Agent.

(n) Notice of Casualty Events. Prompt written notice after an Authorized Officer of the Borrower obtains actual knowledge of the occurrence of any Casualty Event or the commencement of any action or proceeding that could reasonably be expected to result in a Casualty Event having a fair market value in excess of $50,000,000.

(o) Information Regarding the Borrower and Subsidiaries.

(i) Patriot Act. Promptly upon request, all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act and Beneficial Ownership Regulation.

(ii) Changes. Prompt written notice (but in any event, within thirty (30) days following such change) of any change (A) in a Credit Party's corporate name, (B) in the location of a Credit Party's chief executive office or principal place of business, (C) in a Credit Party's form of organization, (D) in a Credit Party's jurisdiction of organization and (E) in a Credit Party's federal taxpayer identification number.

(iii) New Subsidiaries. Prompt written notice of the formation of any Subsidiary of the Borrower, notice thereof and copies of the Organization Documents of such Subsidiary.

(iv) Organization Documents. Promptly after the execution thereof, copies of any amendment, modification or supplement to the Organization Documents of the Borrower or any Subsidiary.

(v) Beneficial Ownership. Prompt written notice of any change in the information provided in the Beneficial Ownership Certification delivered to any Lender that would result in a change to the list of beneficial owners identified in such certification.

(p) Certificate of Authorized Officer – Production Report and Lease Operating Statement. Concurrently with any delivery of each Reserve Report in connection with a Scheduled Redetermination, a certificate of an Authorized Officer of the Borrower, setting forth, for each calendar month during the then current fiscal year to date, the volume of production of Hydrocarbons and sales attributable to production of Hydrocarbons (and the prices at which such sales were made and the revenues derived from such sales) for each such calendar month from the Borrowing Base Properties, and setting forth the related ad valorem, severance and production taxes and lease operating expenses attributable thereto for each such calendar month; *provided* that such certificate shall be required solely to the extent the foregoing information and its certification is not otherwise included in the applicable Reserve Report Certificate delivered in connection with such Reserve Report.

(q) Budget. Concurrently with any delivery of financial statements under Section 9.1(a) and delivery of any Reserve Report as of June 30 pursuant to Section 9.14, a reasonably detailed consolidated budget for the following fiscal year as customarily prepared by management of the Borrower (including a projected consolidated balance sheet of the Borrower and its Subsidiaries as of the end of the following fiscal year, the related consolidated statements of projected cash flow and projected income and a summary of the material underlying assumptions applicable thereto) (collectively, the "Budget"), which Budget shall in each case be accompanied by a certificate of an Authorized Officer stating that such Budget has been prepared in good faith on the basis of the assumptions stated therein, which assumptions were believed to be reasonable at the time of preparation of such Budget, it being understood that actual results may vary from such Budget and that such variations may be material.

(r) Issuance and Incurrences of Indebtedness. Five (5) Business Days (or such shorter time period agreed by the Administrative Agent) prior written notice (which, for the avoidance of doubt, may be delivered by email) of the incurrence by the Borrower or any Restricted Subsidiary of any Indebtedness for borrowed money in excess of $50,000,000 as well as the amount thereof, the anticipated closing date and definitive documentation for the foregoing and any other related information reasonably requested.

It is understood that documents required to be delivered pursuant to Sections 9.1(a) through (r) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Borrower posts such documents, or provides a link thereto on the Borrower's website on the Internet at the website address listed on Schedule 13.2, (ii) on which such documents are posted on the Borrower's behalf on IntraLinks, DebtDomain or another relevant website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent), (iii) on which such documents are filed on record with the SEC or (iv) on which such documents are transmitted by electronic mail to the Administrative Agent; *provided* that: (A) upon written request by the Administrative Agent, the Borrower shall deliver paper copies of such documents delivered pursuant to Sections 9.1(a), 9.1(b), 9.1(c) and 9.1(f) to the Administrative Agent for further distribution to each Lender until a written request to cease delivering paper copies is given by the Administrative Agent and (B) the Borrower shall notify (which may be by facsimile or electronic mail) the Administrative Agent of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents (except that no such notice shall be required to the extent such documents are filed on record with the SEC). Each Lender shall be solely responsible for timely accessing posted documents or requesting delivery of paper copies of such documents from the Administrative Agent and maintaining its copies of such documents.

9.2 Books, Records and Inspections.

(a) The Borrower will, and will cause each Restricted Subsidiary to, maintain books of record and account that permit the preparation of financial statements in accordance with GAAP.

(b) The Borrower will, and will cause each of the Restricted Subsidiaries to, permit designated representatives of the Administrative Agent and designated representatives of the Majority Lenders (as accompanied by the Administrative Agent) to visit and inspect any of its properties, to examine its financial and operating records, and to discuss its affairs, finances and accounts with its officers, and independent public accountants (subject to such accountants' customary policies and procedures), all at the reasonable expense of the Borrower and at such reasonable times during normal business hours and as often as may be reasonably desired, upon reasonable advance notice to the Borrower; *provided* that, excluding any such visits and inspections during the continuation of an Event of Default, only the Administrative Agent on behalf of the Majority Lenders may exercise rights of the Administrative Agent and the Lenders under this Section 9.2(b) and the Administrative Agent shall not exercise such rights more often than two (2) times during any calendar year and only one (1) such time per calendar year shall be at the Borrower's expense; *provided, further,* that when an Event of Default exists, the Administrative Agent or any representative of the Majority Lenders (or any of their respective representatives or independent contractors) may do any of the foregoing at the expense of the Borrower at any time during normal business hours and upon reasonable advance notice. The Administrative Agent and the Majority Lenders shall give the Borrower the opportunity to participate in any discussions with the Borrower's independent public accountants. Notwithstanding anything to the contrary in this Section 9.2(b), none of the Borrower nor any Restricted Subsidiary shall be required to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter that (i) constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited by any Requirement of Law or any binding agreement or (iii) is subject to attorney-client or similar privilege or constitutes attorney work-product; *provided*, that the Borrower shall notify the Administrative Agent and the Majority Lenders if it is not providing any information pursuant to the foregoing clauses (i) through (iii).

9.3 Maintenance of Insurance.

(a) The Borrower will, and will cause each Restricted Subsidiary to, at all times maintain in full force and effect, pursuant to self-insurance arrangements or with insurance companies that the Borrower believes (in the good faith judgment of the management of the Borrower) are financially sound and reputable at the time the relevant coverage is placed or renewed, insurance in at least such amounts (after giving effect to any self-insurance which the Borrower believes (in the good faith judgment of management of the Borrower) is reasonable and prudent in light of the size and nature of its business) and against at least such risks (and with such risk retentions) as the Borrower believes (in the good faith judgment of management of the Borrower) is reasonable and prudent in light of the size and nature of its business; and will furnish to the Administrative Agent, upon written request from the Administrative Agent, information presented in reasonable detail as to the insurance so carried. The Secured Parties shall be the additional insureds on any such liability insurance as their interests may appear and, if property insurance is obtained, the Collateral Agent shall be the lender loss payee under any such property insurance; *provided* that, so long as no Event of Default has occurred and is then continuing, the Secured Parties will provide any proceeds of such property insurance to the Borrower.

(b) With respect to any Building or Manufactured (Mobile) Home included (or required to be included) as Collateral under the Credit Documents and located on any land subject to (or required to be subject to) a Mortgage under the Credit Documents designated a "flood hazard area" in any Flood Insurance Rate Map published by the Federal Emergency Management Agency (or any successor agency), obtain

flood insurance in such total amount as the Administrative Agent may from time to time reasonably require, and otherwise comply with the National Flood Insurance Program as set forth in the Flood Insurance Regulation. Following the Closing Date, the Borrower shall deliver to the Administrative Agent annual renewals of each flood insurance policy or annual renewals of each force-placed flood insurance policy, as applicable. In connection with any amendment to this Agreement pursuant to which any increase, extension, or renewal of Loans is contemplated, the Borrower shall cause to be delivered to the Administrative Agent all Flood Documentation for any Mortgaged Property with respect to which Buildings or Manufactured (Mobile) Homes are included as Collateral.

9.4 Payment of Obligations; Performance of Obligations under Credit Documents.

(a) After giving effect to the Confirmation Order and the Chapter 11 Plan, the Borrower shall, and shall cause each Restricted Subsidiary to, pay, discharge or otherwise satisfy its obligations, including in respect of all Tax liabilities, assessments and governmental charges, before the same shall become delinquent or in default, except where (i) the amount or validity thereof is being contested in good faith by appropriate proceedings and the Borrower or a Subsidiary thereof has set aside on its books adequate reserves therefor in accordance with GAAP (or in the case of a Foreign Subsidiary, the comparable accounting principles in the relevant jurisdiction) or (ii) the failure to make payment could not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

(b) The Borrower will pay the Loans according to the reading, tenor and effect thereof, and the Borrower will, and will cause each Restricted Subsidiary to, do and perform every act and discharge all of the obligations to be performed and discharged by them under the Credit Documents, including, without limitation, this Agreement, at the time or times and in the manner specified.

9.5 Preservation of Existence, Compliance, Etc. Except as otherwise permitted by this Agreement, the Borrower will, and will cause each Restricted Subsidiary to (a) do, or cause to be done, all things necessary to preserve and keep in full force and effect its (i) legal existence and (ii) corporate rights and authority, except in the case of this clause (ii) to the extent that the failure to do so would not reasonably be expected to have a Material Adverse Effect; (b) comply with all Contractual Requirements except to the extent that the failure to so comply would not reasonably be expected to have a Material Adverse Effect; and (c) maintain in effect and enforce policies and procedures designed to ensure compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with (i) the Trading with the Enemy Act, as amended, the International Emergency Economic Powers Act, as amended, Sanctions Laws, the United States Foreign Corrupt Practices Act of 1977, as amended and other anti-corruption laws, and (ii) the Patriot Act; *provided*, *however*, that the Borrower and its Restricted Subsidiaries may consummate any transaction permitted under Section 10.3, 10.4 or 10.5.

9.6 Compliance with Requirements of Law. The Borrower will, and will cause each Restricted Subsidiary to, comply with all Requirements of Law applicable to it or its property, including all governmental approvals or authorizations required to conduct its business, and to maintain all such governmental approvals or authorizations in full force and effect, except if the failure to comply therewith could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

9.7 ERISA.

(a) Promptly after the Borrower or any ERISA Affiliate knows or has reason to know of the occurrence of any of the following events that, individually or in the aggregate (including in the aggregate such events previously disclosed or exempt from disclosure hereunder, to the extent the liability therefor remains outstanding), would be reasonably likely to have a Material Adverse Effect or a Lien on the assets of any Credit Party, the Borrower will deliver to the Administrative Agent a certificate of an Authorized

Officer or any other senior officer of the Borrower setting forth details as to such occurrence and the action, if any, that the Borrower or such ERISA Affiliate is required or proposes to take, together with any notices (required, proposed or otherwise) given to or filed with or by the Borrower, such ERISA Affiliate, the PBGC, a Plan participant (other than notices relating to an individual participant's benefits) or the Plan administrator with respect thereto: (i) that an ERISA Event has occurred or is likely to occur; (ii) that a Pension Plan has an Unfunded Current Liability that has or will result in a Lien under ERISA or the Code; that proceedings will be or have been instituted to terminate a Pension Plan having an Unfunded Current Liability (including the giving of written notice thereof); (iii) that a proceeding has been instituted against any Credit Party or an ERISA Affiliate pursuant to Section 515 of ERISA to collect a delinquent contribution to a Multiemployer Plan; (iv) or that any Credit Party or any ERISA Affiliate has incurred or will incur (or has been notified in writing that it will incur) any liability (including any contingent or secondary liability) pursuant to Section 409, 502(i), 502(l), 515, 4062, 4063, 4064, 4069, 4201 or 4204 of ERISA or Section 4971 or 4975 of the Code.

(b) Promptly following any request therefor, the Borrower will deliver to the Administrative Agent copies of (i) any documents described in Section 101(k) of ERISA that the Borrower and any of its Subsidiaries or any ERISA Affiliate may request with respect to any Multiemployer Plan and (ii) any notices described in Section 101(l) of ERISA that the Borrower and any of its Subsidiaries or any ERISA Affiliate may request with respect to any Multiemployer Plan; provided that if the Borrower, any of its Subsidiaries or any ERISA Affiliate has not requested such documents or notices from the administrator or sponsor of the applicable Multiemployer Plan, the Borrower, the applicable Subsidiaries or the ERISA Affiliates shall promptly, following a request from the Administrative Agent, make a request for such documents or notices from such administrator or sponsor and shall provide copies of such documents and notices promptly after receipt thereof.

9.8 Maintenance of Properties. The Borrower will, and will cause each of the Restricted Subsidiaries to, except in each case, where the failure to so comply would not reasonably be expected to result in a Material Adverse Effect (it being understood that this Section 9.8 shall not restrict any transaction otherwise permitted by Section 10.3, 10.4 or 10.5):

(a) operate its Oil and Gas Properties and other material properties or cause such Oil and Gas Properties and other material properties to be operated in a careful and efficient manner in accordance with the practices of the industry and in compliance with all applicable Contractual Requirements and all applicable Requirements of Law, including applicable proration requirements and Environmental Laws, and all applicable Requirements of Law of every other Governmental Authority from time to time constituted to regulate the development and operation of its Oil and Gas Properties and the production and sale of Hydrocarbons and other minerals therefrom;

(b) keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, and preserve, maintain and keep in good repair, working order and efficiency (ordinary wear and tear excepted) all of its material Oil and Gas Properties and other material properties, including all equipment, machinery and facilities; and

(c) to the extent a Credit Party is not the operator of any property, the Borrower shall use commercially reasonable efforts to cause the operator to operate such property in accordance with customary industry practices.

9.9 Post-Closing Covenants. Each of the Credit Parties shall satisfy the requirements set forth on Schedule 9.9 on or before the date specified for such requirement or such later date as may be determined by the Administrative Agent (or as may be extended by the Administrative Agent in its sole discretion).

9.10 Compliance with Environmental Laws. The Borrower will, and will cause each of the Restricted Subsidiaries to, except, in each case, to the extent that the failure to do so could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (a) comply, and take all commercially reasonable actions to cause all lessees and other Persons operating or occupying its properties to comply, with all applicable Environmental Laws and Environmental Permits; (b) obtain, maintain and renew all Environmental Permits necessary for its operations and properties; and (c) in each case to the extent the Credit Parties or Subsidiaries are required by Environmental Laws, conduct any investigation, remedial, reclamation, closure, plugging and abandonment, or other corrective action necessary to address Hazardous Materials, idle wells, or other conditions at any property or facility in accordance with applicable Environmental Laws.

9.11 Additional Guarantors, Grantors and Collateral.

(a) Subject to any applicable limitations set forth in the Guarantee or the Security Documents, the Borrower will cause (i) any direct or indirect Restricted Subsidiary (other than (1) any Excluded Subsidiary and (2) solely with respect to clause (A)(x) below, any Production Sharing Entity for so long as such Subsidiary is party to a Production Sharing Contract) formed or otherwise purchased or acquired after the Closing Date (including pursuant to a Permitted Acquisition) formed or otherwise purchased or acquired after the Closing Date (including pursuant to a Permitted Acquisition) and (ii) any Restricted Subsidiary of the Borrower that ceases to be an Excluded Subsidiary (or, solely with respect to clause (A)(x) below, in the case of Production Sharing Entities, ceases to be a party to a Production Sharing Contract), in each case (other than with respect to clause (D) below) within thirty (30) days from the date of such formation, acquisition or cessation, as applicable (or such longer period as the Administrative Agent may agree in its reasonable discretion) to (A) execute (x) a supplement to the Guarantee, substantially in the form of Exhibit I thereto, in order to become a Guarantor; provided that the guarantee of any Foreign Subsidiary shall be limited as the Borrower may reasonably deem necessary to comply with applicable laws, rules or regulations (including general statutory limitations, financial assistance, corporate benefit, fraudulent preference, "thin capitalization" and "capital maintenance" rules), the fiduciary duties of the directors of such subsidiary or to avoid the risk of personal civil or criminal liability for any director or officer of such subsidiary, (y) a supplement to the Collateral Agreement, substantially in the form of Exhibit I thereto, in order to become a grantor and a pledgor thereunder and (z) a counterpart to the Intercompany Note, (B) if reasonably requested by the Administrative Agent or the Collateral Agent, within thirty (30) days after such request (or such longer period as the Administrative Agent may agree in writing in its discretion), deliver to the Administrative Agent a signed copy of an opinion, addressed to the Administrative Agent, the Collateral Agent and the Lenders, of counsel for the Credit Parties reasonably acceptable to the Administrative Agent as to such matters set forth in this Section 9.11 as the Administrative Agent or the Collateral Agent may reasonably request, (C) as promptly as practicable after the request therefor by the Administrative Agent or Collateral Agent, deliver to the Collateral Agent with respect to each Mortgaged Property of such Subsidiary, (i) any existing title reports or policies, (ii) abstracts, (iii) environmental assessment reports or (iv) surveys, to the extent available and in the possession or control of the Credit Parties or their respective Subsidiaries; *provided, however,* that there shall be no obligation to deliver to the Administrative Agent any existing environmental assessment report whose disclosure to the Administrative Agent would require the consent of a Person other than the Credit Parties or one of their respective Subsidiaries, where, despite the commercially reasonable efforts of the Credit Parties or their respective Subsidiaries to obtain such consent, such consent cannot be obtained and (D)(x) as promptly as practicable after such formation, acquisition or cessation, as applicable (but in any event within thirty (30) days of such formation, acquisition or cessation, as applicable (or such longer period as the Administrative Agent may agree in its reasonable discretion)), deliver to the Administrative Agent all Flood Documentation in respect of each Material Real Property of such Restricted Subsidiary and (y) as promptly as practicable after such Flood Documentation has been delivered to the Administrative Agent (but in any event within sixty (60) days of such formation, acquisition or cessation, as applicable (or such longer period as the Administrative

Agent may agree in its reasonable discretion)) execute and deliver Mortgages to the Collateral Agent in respect of each Material Real Property of such Restricted Subsidiary, together with all title insurance policies, legal opinions, surveys and similar documentation delivered to the Administrative Agent or Collateral Agent in connection with other Mortgages in effect at such time or as otherwise reasonably requested by the Administrative Agent or Collateral Agent.

(b) Subject to any applicable limitations set forth in the Collateral Agreement, the Borrower will pledge, and, if applicable, will cause each Subsidiary Grantor (or Person required to become a Subsidiary Grantor pursuant to Section 9.11(a)) to pledge, to the Collateral Agent, for the benefit of the Secured Parties, (i) all of the Equity Interests (other than any Excluded Equity Interests) directly owned by the Borrower or any Credit Party (or Person required to become a Guarantor pursuant to Section 9.11(a)), in each case, formed or otherwise purchased or acquired after the Closing Date, pursuant to supplements to the Collateral Agreement substantially in the form of Exhibit I, thereto and (ii) except with respect to intercompany Indebtedness, all evidences of Indebtedness for borrowed money in a principal amount in excess of $2,500,000 (individually) that is owing to the Borrower or any Guarantor (or Person required to become a Guarantor pursuant to Section 9.11(a)), in each case pursuant to supplements to the Collateral Agreement substantially in the form of Exhibit I thereto.

(c) In connection with each redetermination (but not any adjustment) of the Borrowing Base, and from time to time upon the request of the Administrative Agent, the Borrower shall review the applicable Reserve Report, if any, and the list of current Mortgaged Properties (as described in Section 9.14(c)), to ascertain whether the PV-9 of the Mortgaged Properties (calculated at the time of redetermination) meets the Collateral Coverage Minimum after giving effect to exploration and production activities, acquisitions, Dispositions and production. In the event that the PV-9 of the Mortgaged Properties (calculated at the time of redetermination) does not meet the Collateral Coverage Minimum, then the Borrower shall, and shall cause the Credit Parties to, grant, within thirty (30) days of delivery of the certificate required under Section 9.14(c) (or such longer period as the Administrative Agent may agree in its reasonable discretion), to the Collateral Agent as security for the Obligations an Acceptable Security Interest on additional Oil and Gas Properties not already subject to a Lien of the Security Documents such that, after giving effect thereto, the PV-9 of the Mortgaged Properties (calculated at the time of redetermination) meets the Collateral Coverage Minimum. All such Acceptable Security Interests will be created and perfected by and in accordance with the provisions of the Security Documents, including, if applicable, any additional Mortgages. In order to comply with the foregoing, if any Restricted Subsidiary (other than a Production Sharing Entity and the EHP Entities prior to the EHP Discharge Date) places a Lien on its property and such Restricted Subsidiary is not a Guarantor, then it shall become a Guarantor and comply with the provisions of Sections 9.11(a) and (b).

(d) Without limitation of clause (a), (b) or (c) above, substantially simultaneously and prior to the delivery of any mortgage or deed of trust on any Oil and Gas Property or any other real property interest for the benefit of any other secured party and securing Indebtedness that is subject to any Junior Lien Intercreditor Agreement, the Borrower shall, or shall cause the relevant Credit Party to, grant to the Collateral Agent as security for the Obligations an Acceptable Security Interest on such Oil and Gas Property or other real property interest. All such Liens will be created and perfected by and in accordance with the provisions of the Security Documents, including, if applicable, any additional Mortgages. In order to comply with the foregoing, if any Restricted Subsidiary (other than an Excluded Subsidiary or any Production Sharing Entity) places a Lien on its property and such Subsidiary is not a Guarantor, then it shall become a Guarantor and comply with the provisions of Sections 9.11(a) and (b).

(e) Upon the EHP Discharge Date, the Borrower shall, and shall cause its Subsidiaries to, grant a first priority security interest in the EHP Collateral within thirty (30) days following the EHP Entities ceasing to be Excluded Subsidiaries, and otherwise comply with this Section 9.11.

(f) Prior to the date the Second Lien Exit Facility Indebtedness shall have been paid in full in cash, the Borrower will, and, if applicable, will cause each other Credit Party to, (A) within 30 days after (or such later date as agreed by the Administrative Agent in its sole discretion) the end of each calendar quarter during which (x) the Borrower or any other Credit Party acquired any Material Real Property or (y) any real property interests of the Borrower or any other Credit Party became Material Real Property, provide copies of any applicable recorded deeds, leases and/or rights of way to the Administrative Agent, (B) as promptly as practicable after the request therefor by the Administrative Agent or Collateral Agent, deliver to the Collateral Agent with respect to such Material Real Property, (i) any existing title reports or policies, (ii) abstracts, (iii) environmental assessment reports, or (iv) surveys, to the extent available and in the possession or control of the Credit Parties or their respective Subsidiaries; *provided* that there shall be no obligation to deliver to the Administrative Agent any existing environmental assessment report whose disclosure to the Administrative Agent would require the consent of a Person other than the Credit Parties or one of their respective Subsidiaries, where, despite the commercially reasonable efforts of the Credit Parties or their respective Subsidiaries to obtain such consent, such consent cannot be obtained, and (C)(x) as promptly as practicable after the request therefor by the Administrative Agent (but in any event within thirty (30) days after the request therefor (or such longer period as the Administrative Agent may agree in its reasonable discretion)), deliver to the Administrative Agent all Flood Documentation in respect of such Material Real Property and (y) as promptly as practicable after such Flood Documentation has been delivered to the Administrative Agent and subject to Section 9.11(g) (but in any event within sixty (60) days after the end of such calendar quarter (or such longer period as the Administrative Agent may agree in its reasonable discretion)), execute and deliver Mortgages to the Collateral Agent in respect of such Material Real Property, together with all title insurance policies, legal opinions, surveys and similar documentation delivered to the Administrative Agent or Collateral Agent in connection with other Mortgages in effect at such time or as otherwise reasonably requested by the Administrative Agent or Collateral Agent. For the avoidance of doubt, the Borrower shall not execute and deliver any Mortgage on real property to secure the obligations under the Second Lien Exit Facility unless it substantially concurrently executes and delivers a Mortgage in favor of the Collateral Agent and complies with the obligations under this Section 9.11(f) with respect to such real property.

(g) To the extent any Real Property that is required to be mortgaged pursuant to the Loan Documents is subject to the provisions of the Flood Insurance Regulations, at the written request of the Administrative Agent (a) (i) concurrently with the delivery of any Mortgage in favor of the Administrative Agent in connection therewith, and (ii) at any other time if necessary for compliance with applicable Flood Insurance Regulations, provide the Administrative Agent with Flood Documentation. In addition, to the extent the Borrower and the Credit Parties fail to obtain or maintain satisfactory flood insurance required pursuant to the preceding sentence with respect to any Mortgaged Property, the Administrative Agent shall be permitted, in its sole discretion, to obtain forced placed insurance at the Borrower's expense to ensure compliance with any applicable Flood Insurance Regulations. Notwithstanding anything to the contrary, to the extent any Real Property that is required to be Mortgaged Property is subject to the provisions of the Flood Insurance Regulations, the Administrative Agent shall provide the Lenders prior to the execution of a Mortgage relative to such Mortgaged Property with a standard life of loan flood hazard determination form for such Mortgaged Property, and, if such Mortgaged Property is in a special flood hazard area, an acknowledged Borrower notice and a policy of flood insurance in compliance with Flood Insurance Regulations. To the extent any such Mortgaged Property is subject to the provisions of the Flood Insurance Regulations, upon the earlier of (i) twenty (20) Business Days from the date the information required by the immediately preceding sentence is provided to the Lenders and (ii) notice from each Lender that such Lender has completed all necessary diligence, the Collateral Agent may permit execution and delivery of the applicable Mortgage in favor of the Collateral Agent.

9.12 Use of Proceeds. The Borrower will use the proceeds of the Loans and Letters of Credit made (a) on the Closing Date (i) to refinance in full the DIP Facilities and to refund, refinance and replace

the Existing Letters of Credit outstanding on the Closing Date and (ii) to pay Transaction Expenses and (b) after the Closing Date (i) for the acquisition, development and exploration of oil and gas properties, (ii) to provide for the working capital needs of the Borrower and its Subsidiaries and (iii) for other general corporate purposes (in each case, as permitted by the Credit Documents). The Borrower shall not use, and shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of the Loans (A) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of the United States Foreign Corrupt Practices Act of 1977, as amended, and other applicable anti-corruption laws, (B) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Person that is, or is owned or controlled by a Person that is, at the time of such financing, the subject or target of any Sanctions, or in any country or territory that is the subject of comprehensive Sanctions, (C) in any manner that would result in the violation of any Sanctions Laws applicable to any party hereto or (D) in violation of the provisions of Regulation T, Regulation U or Regulation X of the Board.

9.13 Further Assurances.

(a) Subject to the applicable limitations set forth in the Security Documents, the Borrower will, and will cause each other Credit Party to, execute and/or deliver any and all further documents, financing statements, agreements and instruments, and take all such further actions (including the filing and recording of financing statements, fixture filings, assignments of as-extracted collateral arising from the Borrowing Base Properties, mortgages, deeds of trust and other documents) that the Collateral Agent or the Required Lenders may reasonably request, in order to grant, preserve, protect and perfect the validity and priority of the security interests created or intended to be created by the applicable Security Documents, all at the expense of the Borrower and the Restricted Subsidiaries.

(b) Notwithstanding anything to the contrary in this Agreement, the Collateral Agreement, or any other Credit Document, the Administrative Agent may grant extensions of time for or waivers of the requirements of the creation or perfection of security interests in or the obtaining of title opinions or other title information, title insurance policies, legal opinions, appraisals and surveys with respect to particular assets (including extensions beyond the Closing Date for the perfection of security interests in the assets of the Credit Parties on such date) where it reasonably determines, in consultation with the Borrower, that perfection or obtaining of such items is not required by law or cannot be accomplished without undue effort or expense by the time or times at which it would otherwise be required by this Agreement or the other Credit Documents.

9.14 Reserve Reports.

(a) On or before each March 1 and September 1 of each year, the Borrower shall furnish to the Administrative Agent, to the extent applicable, a Budget pursuant to Section 9.1(q), and a Reserve Report evaluating, as of the immediately preceding December 31 and June 30, the Proved Reserves and other applicable Oil and Gas Properties of the Borrower and the Credit Parties located within the geographic boundaries, and the territorial waters, of the United States of America that the Borrower desires to have included in any calculation of the Borrowing Base. Each Reserve Report as of (i) December 31 shall, at the sole election of the Borrower, (a) be prepared by one or more Approved Petroleum Engineers or (b) be prepared by or under the supervision of the chief of reserves of the Borrower and be audited by one or more Approved Petroleum Engineers and (ii) June 30 shall, at the sole election of the Borrower, (y) be prepared by one or more Approved Petroleum Engineers or (z) be prepared by or under the supervision of the chief of reserves of the Borrower in accordance with the procedures used in the immediately preceding December 31 Reserve Report or the Initial Reserve Report, if no December 31 Reserve Report has been delivered.

(b) In the event of an Interim Redetermination, the Borrower shall furnish to the Administrative Agent a Reserve Report prepared by one or more Approved Petroleum Engineers or prepared under the supervision of the chief of reserves of the Borrower or a Restricted Subsidiary. For any Interim Redetermination pursuant to Section 2.14(b), the Borrower shall provide such Reserve Report with an "as of" date as required by the Administrative Agent, as soon as possible, but in any event no later than forty-five (45) days, in the case of any Interim Redetermination requested by the Borrower, or sixty (60) days, in the case of any Interim Redetermination requested by the Administrative Agent or the Lenders, following the receipt of such request.

(c) With the delivery of each Reserve Report, the Borrower shall provide to the Administrative Agent a Reserve Report Certificate from an Authorized Officer of the Borrower certifying that in all material respects:

(i) in the case of June 30 Reserve Reports prepared by or under the supervision of the chief of reserves of the Borrower or a Restricted Subsidiary, such Reserve Report has been prepared, except as otherwise specified therein, in accordance with the procedures used in the immediately preceding December 31 Reserve Report or the Initial Reserve Report, if no December 31 Reserve Report has been delivered;

(ii) for each calendar month during the then current fiscal year to date, the volume of production of Hydrocarbons and sales attributable to production of Hydrocarbons (and the prices at which such sales were made and the revenues derived from such sales) for each such calendar month from the Borrowing Base Properties, and setting forth the related ad valorem, severance and production taxes and lease operating expenses attributable thereto for each such calendar month;

(iii) the information contained in the Reserve Report and any other information delivered in connection therewith is true and correct in all material respects;

(iv) assuming that all applicable Governmental Authorities have granted approvals, made recordations and taken such other actions as are necessary in connection with the Transactions and any assignments made in connection therewith, except as set forth in an exhibit to such certificate, the Borrower or another Credit Party has good and defensible title to the material Borrowing Base Properties evaluated in such Reserve Report (other than those (w) to be acquired in connection with an acquisition, (x) Disposed of since delivery of such Reserve Report as permitted in accordance with the terms hereof, (y) leases that have expired in accordance with their terms and (z) with title defects disclosed in writing to the Administrative Agent) and such material Borrowing Base Properties are free (or will be at the time of the acquisition thereof) of all Liens except for Liens permitted by Section 10.2;

(v) except as set forth on an exhibit to such certificate, on a net basis there are (A) no gas imbalances, take or pay or other prepayments in excess of the volume specified in Section 8.17 with respect to the Credit Parties' Oil and Gas Property evaluated in such Reserve Report that would require the Borrower or any other Credit Party to deliver Hydrocarbons either generally or produced from such Oil and Gas Properties at some future time without then or thereafter receiving full payment therefor and (B) no Service Agreement Undertakings;

(vi) none of the Borrowing Base Properties have been Disposed of since the date of the last Borrowing Base determination except those Borrowing Base Properties listed on such certificate as having been Disposed of; and

(vii) the certificate shall also attach, as schedules thereto, a list of (1) all material marketing agreements (which are not cancellable on sixty (60) days' notice or less without penalty or detriment) entered into subsequent to the later of the Closing Date and the most recently delivered Reserve Report for the sale of production of the Credit Parties' Hydrocarbons at a fixed non-index price (including calls on, or other parties rights to purchase, production, whether or not the same are currently being exercised) that represent in respect of such agreements 2.5% or more of the Credit Parties' average monthly production of Hydrocarbon volumes and that have a maturity date or expiry date of longer than six (6) months from the last day of such fiscal year or period, as applicable and (2) all Borrowing Base Properties evaluated by such Reserve Report that are Collateral and demonstrating compliance with (calculated at the time of delivery of such Reserve Report) the Collateral Coverage Minimum.

9.15 Reserved.

9.16 Title Information.

(a) On or before:

(i) the Closing Date, the Borrower will deliver title information (in form and substance reasonably satisfactory to the Administrative Agent) with respect to the Borrowing Base Properties consistent with usual and customary standards for the geographic regions in which the Borrowing Base Properties are located, taking into account the size, scope and number of leases and wells of the Borrower and its Restricted Subsidiaries as is required to demonstrate satisfactory title on 85% of the PV-9 value (excluding the PV-9 of any Production Sharing Contracts) of the Borrowing Base Properties (excluding any Oil and Gas Properties subject to Production Sharing Contracts) evaluated by the Initial Reserve Report ; and

(ii) the date of delivery to the Administrative Agent of each Reserve Report required by Section 9.14(a) following the Closing Date, the Borrower will deliver title information (in form and substance reasonably satisfactory to the Administrative Agent) with respect to the Borrowing Base Properties consistent with usual and customary standards for the geographic regions in which the Borrowing Base Properties are located, taking into account the size, scope and number of leases and wells of the Borrower and its Restricted Subsidiaries as is required to demonstrate satisfactory title on 85% of the PV-9 value (excluding the PV-9 of any Production Sharing Contracts) of the Borrowing Base Properties (excluding any Oil and Gas Properties subject to Production Sharing Contracts) evaluated by such Reserve Report; *provided* that with respect to any Oil and Gas Properties for which title information reasonably acceptable to the Administrative Agent was provided prior to the date of the current request by the Administrative Agent, the Borrower shall be under no obligation to provide additional title information.

(b) If title information has been provided under Section 9.16(a) and the Administrative Agent provides written notice to the Borrower that title defects or exceptions exist with respect to such properties, then the Borrower shall, within sixty (60) days of its receipt of such notice (or such longer period as the Administrative Agent may agree in its reasonable discretion) (i) cure any such title defects or exceptions (including defects or exceptions as to priority of the Collateral Agent's Liens that are not permitted by Section 10.2) raised by such information, (ii) substitute acceptable Mortgaged Properties having an equivalent value with no title defects or exceptions except for Liens permitted by Section 10.2 and/or (iii) deliver title information (in form and substance reasonably satisfactory to the Administrative Agent) so that the Administrative Agent shall have received, (including title information previously made available to the Administrative Agent) reasonably satisfactory title information on at least 80% of the PV-9 of the Credit Parties' Borrowing Base Properties evaluated by such Reserve Report.

(c) If any title defect or exception requested by the Administrative Agent to be cured cannot be cured or if the Borrower is unable to provide reasonably acceptable title information on at least 80% of the PV-9 of the Credit Parties' Borrowing Base Properties evaluated by such Reserve Report, in each case, within such 60-day period (or longer period as the Administrative Agent may agree in its reasonable discretion), such default shall not be a Default or Event of Default, but instead the Administrative Agent and Required Lenders shall have the right to adjust the Borrowing Base as contemplated by Section 2.14(g).

9.17 Deposit Account, Securities Account and Commodity Account Control Agreements.

(a) The Borrower will, and will cause each Grantor to, in connection with any Deposit Account, Securities Account or Commodity Account, in each case, other than any Excluded Account for so long as it is an Excluded Account (i) held or maintained on the Closing Date by the Borrower or any such Grantor, promptly but in any event within thirty (30) days of the Closing Date (or such later date as the Collateral Agent may agree in its sole discretion), enter into and deliver to the Collateral Agent a deposit account control agreement (a "Deposit Account Control Agreement"), securities account control agreement (a "Securities Account Control Agreement") or commodity account control agreement (a "Commodity Account Control Agreement"), as applicable, in form and substance reasonably satisfactory to the Collateral Agent and the account bank, securities intermediary or commodity intermediary, as applicable, for any such Deposit Account, Securities Account or Commodity Account and (ii) established or ceasing to be an Excluded Account on or after the Closing Date by the Borrower, any such Grantor substantially concurrently with the establishment of such Deposit Account, Securities Account or Commodity Account or with the date an Excluded Account ceases to be an Excluded Account, as applicable (or, in each case, such later date as the Collateral Agent may agree in its sole discretion) enter into and deliver to the Collateral Agent a Deposit Account Control Agreement, Securities Account Control Agreement or Commodity Account Control Agreement, as applicable, in form and substance reasonably satisfactory to the Collateral Agent and the account bank, securities intermediary or commodity intermediary, as applicable, for any such Deposit Account, Securities Account or Commodity Account; *provided* that the Borrower or such Grantor shall be deemed to have satisfied the requirements of this Section 9.17(a)(ii) with respect to any Deposit Account, Securities Account or Commodity Account that is acquired by the Borrower or such Grantor as a result of a Permitted Acquisition, so long as, within thirty (30) days after the date of such Permitted Acquisition (or such later date as the Collateral Agent may agree in its sole discretion), the Borrower or such Grantor (A) causes such account to be subject to a Deposit Account Control Agreement, Securities Account Control Agreement or Commodity Account Control Agreement, as applicable, that satisfies the requirements of this Section 9.17(a)(ii) or (B) closes such account and transfers any funds therein to an account that satisfies the requirements of this Section 9.17(a)(ii); *provided further* that the Borrower or the applicable Grantors, or any of their respective Affiliates, do not direct or redirect any funds into any such accounts or during such thirty (30) day period, unless a Deposit Account Control Agreement, Securities Account Control Agreement or Commodity Account Control Agreement, as applicable, has been established with respect to the applicable account in accordance with this Section 9.17(a). After the occurrence and during the continuance of an Event of Default, the Collateral Agent may give instructions directing the disposition of funds credited to any Controlled Account and/or withhold any withdrawal rights from the Borrower or any Grantor with respect to funds credited to any Controlled Account.

(b) The Borrower will, and will cause each of the Grantors, on and after the date referred to in Section 9.17(a)(i), to maintain the proceeds of the Loans in a Controlled Account until such proceeds are transferred to a third party in a transaction not prohibited by the Credit Documents or a Deposit Account which is not required to be a Controlled Account for a purpose that is permitted by the Credit Documents.

9.18 Minimum Hedged Volumes.

(a) The Borrower and/or other Guarantors shall enter into (or, to the extent entered into prior to the Closing Date, maintain) Acceptable Commodity Hedge Agreements with notional volumes no less than, (x) 75% of the reasonably anticipated Hydrocarbon production in respect of crude oil from the Credit Parties' total Proved Developed Producing Reserves (as forecast based upon the Initial Reserve Report), for a period beginning in the first full month following the Closing Date through the twelfth (12th) full month following the Closing Date, (y) 75% of the reasonably anticipated Hydrocarbon production in respect of crude oil from the Credit Parties' total Proved Developed Producing Reserves (as forecast based upon the Initial Reserve Report), for a period from the thirteenth (13th) full month following the Closing Date through the twenty fourth (24th) full month following the Closing Date and (z) 50% of the reasonably anticipated Hydrocarbon production in respect of crude oil from the Credit Parties' total Proved Developed Producing Reserves (as forecast based upon the Initial Reserve Report), for a period from the twenty-fifty (25th) full month following the Closing Date through the thirty sixth (36th) full month following the Closing Date, in each case of (x), (y) and (z), calculated based on daily volumes on an annual basis; *provided* that the Borrower and/or other Guarantors shall enter into such Acceptable Commodity Hedge Agreements as described above (i) within thirty (30) days of the Closing Date (or such later date as the Administrative Agent may agree in its sole discretion), with respect to production through June 30, 2022 and (y) forty-five (45) days of the Closing Date (or such later date as the Administrative Agent may agree in its sole discretion) with respect to all other production described above.

(b) The Borrower and/or other Guarantors shall enter into (or, to the extent entered into prior to the date of determination, maintain) (and maintain at all times following the Closing Date) Acceptable Commodity Hedge Agreements, the notional volumes for which are no less than, as of the date the certificate described in Section 9.1(g) is required to be delivered, for the two years that follow such date of delivery, 50% of the reasonably anticipated Hydrocarbon production in respect of crude oil from the Credit Parties' total Proved Developed Producing Reserves (as forecast based upon the most recent Reserve Report delivered pursuant to Section 9.14), calculated based on daily volumes on an annual basis.

9.19 Unrestricted Subsidiaries. The Borrower:

(a) will cause the management, business and affairs of each of the Borrower and its Restricted Subsidiaries to be conducted in such a manner (including, without limitation, by keeping separate books of account, furnishing separate financial statements of Unrestricted Subsidiaries to creditors and potential creditors thereof and by not permitting properties of the Borrower and its respective Restricted Subsidiaries to be commingled) so that each Unrestricted Subsidiary that is a corporation will be treated as a corporate entity separate and distinct from the Borrower and the Restricted Subsidiaries.

(b) will not, and will not permit any of the Restricted Subsidiaries to, incur, assume, guarantee or be or become liable for any Indebtedness of any of the Unrestricted Subsidiaries other than as permitted by Section 10.5.

(c) will not permit any Unrestricted Subsidiary to hold any Equity Interest in, or any Indebtedness of, the Borrower or any Restricted Subsidiary.

9.20 Marketing Activities. The Borrower will not, and will not permit any of its Restricted Subsidiaries to, enter into contracts for the purchase and sale of Hydrocarbons (or Hedge Agreements for the purchase and sale of Hydrocarbons) other than (i) contracts for the sale of Hydrocarbons scheduled or reasonably estimated to be produced from their Proved Reserves during the period of such contract, (ii) contracts for the sale of Hydrocarbons scheduled or reasonably estimated to be produced from Proved Reserves of third parties during the period of such contract associated with the Oil and Gas Properties of

the Borrower and its Restricted Subsidiaries that the Borrower or one of its Restricted Subsidiaries has the right to market pursuant to joint operating agreements, unitization agreements or other similar contracts that are usual and customary in the Oil and Gas Business and (iii) other contracts for the purchase and/or sale of Hydrocarbons of third parties (A) which have generally offsetting provisions (*i.e.*, corresponding pricing mechanics, delivery dates and points and volumes) such that no "position" is taken and (B) for which appropriate credit support has been taken to alleviate the material credit risks of the counterparty thereto.

9.21 Keepwell. The Borrower will, and will cause each Guarantor to, provide such funds or other support as may be needed from time to time by the Borrower or any Guarantor, as applicable, to honor all of its obligations under this Agreement and any other Credit Document in respect of Swap Obligations (provided, however, that each Qualified ECP Guarantor shall only be liable under this Section 9.21 for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 9.21, or otherwise under this Agreement or any other Credit Document, as it relates to the Borrower, any Restricted Subsidiary or any Guarantor, as applicable, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Guarantor under this Section 9.21 shall remain in full force and effect until Payment in Full. The Borrower intends that this Section 9.21 constitute, and this Section 9.21 shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit the Borrower and any Guarantor, as applicable, for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

SECTION 10. NEGATIVE COVENANTS.

The Borrower hereby covenants and agrees that on the Closing Date and thereafter, until Payment in Full has occurred:

10.1 Limitation on Indebtedness. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, create, incur, assume or suffer to exist any Indebtedness other than the following:

(a) Indebtedness arising under the Credit Documents (including pursuant to Section 2.16);

(b) Indebtedness of the Borrower arising under (i) the Second Lien Exit Facility in a principal amount not to exceed $200,000,000 (plus any interest that accrues and is capitalized and added to the principal thereof in accordance with the Second Lien Exit Facility as in effect on the Closing Date), (ii) any Permitted Refinancing Indebtedness issued or incurred to refinance the EHP Notes and (iii) any Permitted Refinancing Indebtedness issued or incurred to Refinance such Indebtedness so long as no Person shall guarantee such Indebtedness or Permitted Refinancing Indebtedness thereof unless such Person has guaranteed or contemporaneously guarantees the Obligations;

(c) (i) Indebtedness arising under the EHP Notes issued by EHP Midco in a principal amount not to exceed $300,000,000 and (ii) an unsecured guarantee by the Borrower and a guarantee by EHP of such Indebtedness arising under the EHP Notes, so long as no Subsidiary of the Borrower (other than EHP Midco and EHP and its Subsidiaries) shall be an obligor with respect to the EHP Notes;

(d) Indebtedness of (i) the Borrower or any Guarantor owing to the Borrower or any Grantor; *provided* that any such Indebtedness owing by a Guarantor to a Subsidiary that is not a Guarantor shall be subordinated to the Obligations pursuant to the Intercompany Note, (ii) any Subsidiary that is not a Grantor owing to any other Subsidiary that is not a Grantor and (iii) to the extent permitted by Section 10.5, any Subsidiary that is not a Grantor owing to the Borrower or any Guarantor;

(e) Indebtedness in respect of any bankers' acceptances, bank guarantees, letters of credit, warehouse receipts or similar instruments entered into in the ordinary course of business or consistent with past practice or industry practice (including in respect of workers compensation claims, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance or other Indebtedness with respect to reimbursement-type obligations regarding workers compensation claims); *provided* that any reimbursement obligations in respect thereof are reimbursed within thirty (30) days following the incurrence thereof;

(f) subject to compliance with Section 10.5, Guarantee Obligations incurred by (i) Restricted Subsidiaries in respect of Indebtedness or other obligations of the Borrower or other Restricted Subsidiaries that is permitted to be incurred under this Agreement (except that a Restricted Subsidiary that is not a Guarantor may not, by virtue of this Section 10.1(f), guarantee Indebtedness that such Restricted Subsidiary could not otherwise itself incur or is expressly prohibited from guaranteeing under this Section 10.1) and (ii) the Borrower in respect of Indebtedness of Restricted Subsidiaries that is permitted to be incurred under this Agreement; *provided* that (A) if the Indebtedness being guaranteed under this Section 10.1(f) is subordinated to the Obligations, such Guarantee Obligations shall be subordinated to the Guarantee of the Obligations pursuant to a Subordination Agreement on terms at least as favorable to the Lenders as those contained in the subordination of such Indebtedness and (B) no guarantee by any Restricted Subsidiary of any Indebtedness under clause (i) of this Section 10.1 or Other Debt shall be permitted unless such Restricted Subsidiary shall have also provided a guarantee of the Obligations substantially on the terms set forth in the Guarantee;

(g) Guarantee Obligations (i) incurred in the ordinary course of business in respect of obligations of (or to) suppliers, customers, franchisees, lessors, licensees or sublicensees or (ii) subject to clause (f)(A) and (B) of this Section 10.1, otherwise constituting Investments permitted by Sections 10.5(d), (g), (h), (i), (n) and (q);

(h) (i) Indebtedness (including Indebtedness arising under Capitalized Leases) incurred prior to or within 365 days following the acquisition, construction, lease, repair, replacement, expansion or improvement of assets (real or personal, and whether through the direct purchase of property or the Equity Interests of a Person owning such property) to finance the acquisition, construction, lease, repair, replacement, expansion, or improvement of such assets (for the avoidance of doubt, the purchase date for any asset shall be the later of the date of completion of installation and the beginning of the full productive use of such asset); (ii) Indebtedness arising under Capitalized Leases, other than (A) Capitalized Leases in effect on the Closing Date and (B) Capitalized Leases entered into pursuant to subclause (i) above; and (iii) any Permitted Refinancing Indebtedness issued or incurred to Refinance any such Indebtedness; *provided*, that the aggregate principal amount of Indebtedness permitted by subclauses (i), (ii) and (iii) of this Section 10.1(h) shall not exceed the greater of $20,000,000 and 3.5% of the Borrowing Base at the time of incurrence;

(i) Indebtedness outstanding on the date hereof and set forth on Schedule 10.1 and any Permitted Refinancing Indebtedness issued or incurred to Refinance such Indebtedness;

(j) Indebtedness in respect of Hedge Agreements, subject to the limitations set forth in Section 10.10;

(k) Indebtedness of the Borrower (including, for the avoidance of doubt, with respect to any Permitted Refinancing Indebtedness issued or incurred to Refinance such Indebtedness) incurred in connection or assumed with any Permitted Acquisition or similar Investment permitted under Section 10.5 in an aggregate principal amount of Indebtedness outstanding at any time (i) not to exceed 5.0% of the Borrowing Base then in effect, so long as immediately after giving *pro forma* effect to such Permitted

Acquisition or similar Investment and the incurrence or assumption of such Indebtedness, the Borrower shall be in compliance with the Financial Performance Covenants on a *pro forma* basis and no Default or Event of Default shall have occurred and be continuing or (ii) not to exceed an amount that would cause the Consolidated Total Net Leverage Ratio to exceed 2.50 to 1.00 at the time of incurrence of such Indebtedness on a *pro forma* basis, so long as immediately after giving *pro forma* effect to such Permitted Acquisition or similar Investment and the incurrence or assumption of such Indebtedness, no Default or Event of Default shall have occurred and be continuing; *provided* that, in each case, the Equity Interests of the Person acquired in such Permitted Acquisition or similar Investment shall be pledged to the Collateral Agent and such Person (other than a Production Sharing Entity) shall become a Guarantor in accordance with Section 9.11, in the case of any such Indebtedness secured by a Lien that is junior to the Lien securing the Obligations, the Borrowing Base shall be adjusted to the extent required by Section 2.14(e), and in the case of any such secured Indebtedness incurred or assumed pursuant to this Section 10.1(k), the holders of such Indebtedness have no recourse to property other than the property so acquired and the property so acquired shall not constitute Borrowing Base Properties; provided, further that in the case of Indebtedness incurred or assumed pursuant to this Section 10.1(k) or any applicable Permitted Refinancing Indebtedness thereof, any such Indebtedness shall have a maturity date that is after the Maturity Date and have a Weighted Average Life to Maturity not shorter than the longest remaining Weighted Average Life to Maturity of the Facility; *provided further*, that the requirements of this Section 10.1(k) shall not apply to any Indebtedness of the type that could have been incurred under Section 10.1(h);

(l) Indebtedness arising from Permitted Intercompany Activities to the extent constituting an Investment permitted by Section 10.5;

(m) Indebtedness in respect of performance bonds, bid bonds, appeal bonds, surety bonds and completion guarantees and similar obligations, and obligations in respect of letters of credit, bank guaranties or instruments related thereto, in each case provided in the ordinary course of business or consistent with past practice or industry practice, including those incurred to secure health, safety and environmental obligations in the ordinary course of business or consistent with past practice or industry practice;

(n) (i) other additional Indebtedness, *provided* that (A) the aggregate principal amount of Indebtedness outstanding at any time pursuant to this Section 10.1(n) shall not at the time of incurrence thereof and immediately after giving effect thereto and the use of proceeds thereof on a *pro forma* basis exceed the greater of $50,000,000 and 3.0% of the Borrowing Base at the time of incurrence and (B) immediately after giving effect to the incurrence or issuance thereof and the use of proceeds therefrom, (I) the Borrower shall be in compliance with the Financial Performance Covenants on a *pro forma* basis, (II) no Default or Event of Default shall have occurred and be continuing and (III) no Borrowing Base Deficiency shall result therefrom and (ii) any Permitted Refinancing Indebtedness issued or incurred to Refinance such Indebtedness;

(o) Indebtedness in respect of (i) unsecured senior, unsecured senior subordinated or unsecured subordinated Permitted Additional Debt; *provided* that (x) immediately after giving effect to the incurrence or issuance thereof and the use of proceeds therefrom, (A) the Borrower shall be in compliance with the Financial Performance Covenants on a *pro forma* basis, (B) no Default or Event of Default shall have occurred and be continuing and (C) no Borrowing Base Deficiency shall result therefrom, (y) the Borrowing Base shall be adjusted to the extent required by Section 2.14(e) and (z) to the extent such Indebtedness is expressly subordinated in right of payment to the Obligations, such Indebtedness shall be subject to a Subordination Agreement, and (ii) any Permitted Refinancing Indebtedness issued or incurred to Refinance such Indebtedness;

(p) Cash Management Obligations, Cash Management Services and other Indebtedness in respect of netting services, automatic clearing house arrangements, employees' credit or purchase cards, overdraft protections and similar arrangements;

(q) Indebtedness incurred in the ordinary course of business in respect of obligations of the Borrower or any Restricted Subsidiary to pay the deferred purchase price of goods or services or progress payments in connection with such goods and services;

(r) Indebtedness arising from agreements of the Borrower or any Restricted Subsidiary providing for indemnification, adjustment of purchase price or similar obligations (including earn-outs), in each case assumed or entered into in connection with the Transactions or other Investments permitted by Section 10.5 and the Disposition of any business, assets or Equity Interests not prohibited hereunder;

(s) Indebtedness of the Borrower or any Restricted Subsidiary consisting of obligations to pay insurance premiums;

(t) Indebtedness representing deferred compensation to employees, consultants or independent contractors of the Borrower or, to the extent attributable to the ownership or operation of the Borrower and its Subsidiaries and the Restricted Subsidiaries incurred in the ordinary course of business or consistent with past practice or industry practice;

(u) Indebtedness consisting of obligations of the Borrower and the Restricted Subsidiaries under deferred compensation or other similar arrangements incurred by such Person in connection with the Transactions or any other Investment permitted hereunder;

(v) Indebtedness associated with bonds or surety obligations required by Requirements of Law or by Governmental Authorities in connection with the operation of Oil and Gas Properties in the ordinary course of business;

(w) Indebtedness supported by a Letter of Credit, in a principal amount not to exceed the face amount of such Letter of Credit;

(x) Indebtedness consisting of obligations in respect of Service Agreement Undertakings permitted under Section 10.16;

(y) all premiums (if any), interest (including post-petition interest), fees, expenses, charges, and additional or contingent interest on obligations described in clauses (a) through (x) above; and

(z) Indebtedness arising from the letters of credit outstanding as of the date hereof and set forth on Schedule 10.1(z); provided, that the Borrower shall use commercially reasonable efforts to replace such letters of credit within thirty (30) days of the Closing Date.

For the purposes of determining compliance with, and the outstanding principal amount of Indebtedness incurred pursuant to and in compliance with, this Section 10.1, in the event that Indebtedness meets the criteria of more than one of the types of Indebtedness described in this Section 10.1, the Borrower, in its sole discretion, shall classify, and may from time to time reclassify, such item of Indebtedness and only be required to include the amount and type of such Indebtedness in one of the clauses of this Section 10.1.

10.2 Limitation on Liens. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, create, incur, assume or suffer to exist any Lien upon any property or assets of any kind

(real or personal, tangible or intangible) of the Borrower or any Restricted Subsidiary, whether now owned or hereafter acquired, except:

(a) Liens arising under the Credit Documents to secure the Obligations (including Liens in respect of any Letter of Credit or Letter of Credit Application or Liens contemplated by Section 3.7) or permitted in respect of any Mortgaged Property by the terms of the applicable Mortgage;

(b) Permitted Liens;

(c) Liens (including liens arising under Capitalized Leases to secure obligations under any Capitalized Lease) securing Indebtedness permitted pursuant to Section 10.1(h); *provided* that (i) such Liens attach concurrently with or within 365 days after the acquisition, lease, repair, replacement, construction, expansion or improvement (as applicable) financed thereby, (ii) other than the property financed by such Indebtedness, such Liens do not at any time encumber any property, except for replacements thereof and accessions and additions to such property and the proceeds and the products thereof and customary security deposits and (iii) with respect to Capitalized Leases, such Liens do not at any time extend to or cover any assets (except for accessions and additions to such assets, replacements and products thereof and customary security deposits) other than the assets subject to, or acquired, constructed, repaired, replaced or improved with the proceeds of, such Indebtedness; *provided* that in each case individual financings provided by one lender may be cross collateralized to other financings provided by such lender (and its Affiliates);

(d) Liens existing on the date hereof that are listed on Schedule 10.2(d);

(e) Liens to secure any refinancing, refunding, extension, renewal or replacement (or successive refinancings, refundings, extensions, renewals or replacements) as a whole, or in part, of any Indebtedness secured by any Lien permitted by this Section 10.2; *provided, however*, that (x) such new Lien shall be limited to all or part of the same type of property that secured the original Indebtedness (plus improvements on and accessions to such property) (or upon or in after-acquired property (i) that is affixed or incorporated into the property covered by such Lien or (ii) if the terms of such Indebtedness require or include a pledge of after-acquired property (it being understood that such requirement shall not be permitted to apply to any property to which such requirement would not have applied but for such acquisition)), (y) the Indebtedness secured by such Lien at such time is not increased to any amount greater than the sum of (A) the outstanding principal amount or, if greater, committed amount of the applicable Indebtedness at the time the original Lien became a Lien permitted hereunder, and (B) an amount necessary to pay any fees and expenses, including premiums, related to such refinancing, refunding, extension, renewal or replacement and (z) on the date of the incurrence of the Indebtedness secured by such Liens, the grantors of any such Liens shall comprise only the same Persons or a subset of such Persons that were the grantors of the Liens securing the debt being refinanced, refunded, extended, renewed or replaced;

(f) Liens existing on the assets of any Person that becomes a Subsidiary, or existing on assets acquired (other than Liens on the Equity Interests of any Person that becomes a Restricted Subsidiary), pursuant to a Permitted Acquisition or other Investment permitted by Section 10.5; *provided* that (1) if the Liens on such assets secure Indebtedness, such Indebtedness is permitted under Section 10.1(k), (2) such Liens attach at all times only to the same assets (or upon or in after-acquired property that is (i) affixed or incorporated into the property covered by such Lien, (ii) after-acquired property subject to a Lien securing Indebtedness permitted under Section 10.1(k), the terms of which Indebtedness require or include a pledge of after-acquired property (it being understood that such requirement shall not be permitted to apply to any property to which such requirement would not have applied but for such acquisition) and (iii) the proceeds and products thereof) that such Liens attached to, and to the extent such Liens secure Indebtedness, secure only the same Indebtedness (or any Permitted Refinancing Indebtedness incurred to Refinance such

Indebtedness) that such Liens secured, immediately prior to such Permitted Acquisition or other Investment and (3) if the Liens on such assets secure Indebtedness and attach to any Collateral, such Liens are Junior Liens and the representative of the holders of such Indebtedness becomes party to the Junior Lien Intercreditor Agreement as a "Junior Representative" (as defined in the Junior Lien Intercreditor Agreement);

(g) Liens securing Indebtedness or other obligations (i) of the Borrower or a Restricted Subsidiary in favor of a Guarantor and (ii) of any Restricted Subsidiary that is not a Guarantor in favor of any Restricted Subsidiary that is not a Guarantor;

(h) Liens (i) of a collecting bank arising under Section 4-210 of the UCC on items in the course of collection, (ii) attaching to commodity trading accounts or other commodity brokerage accounts incurred in the ordinary course of business and (iii) in favor of a banking institution arising as a matter of law encumbering deposits (including the right of set-off) or other funds maintained with a financial institution (including the right of setoff) and that are within the general parameters customary in the banking industry or arising pursuant to such banking institution's general terms and conditions;

(i) Liens (i) on cash advances in favor of the seller of any property to be acquired in an Investment permitted pursuant to Section 10.5 to be applied against the purchase price for such Investment and (ii) consisting of an agreement to Dispose of any property in a transaction permitted under Section 10.4, in each case, solely to the extent such Investment or Disposition, as the case may be, would have been permitted on the date of the creation of such Lien;

(j) Liens arising out of conditional sale, title retention, consignment or similar arrangements for sale or purchase of goods entered into by the Borrower or any of the Restricted Subsidiaries in the ordinary course of business permitted by this Agreement;

(k) Liens deemed to exist in connection with Investments in repurchase agreements permitted under Section 10.5;

(l) Liens encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to brokerage accounts incurred in the ordinary course of business and not for speculative purposes;

(m) Liens that are contractual rights of set-off (i) relating to the establishment of depository relations with banks not given in connection with the issuance or incurrence of Indebtedness, (ii) relating to pooled deposit or sweep accounts of the Borrower or any Restricted Subsidiary to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Borrower and the Restricted Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of the Borrower or any Restricted Subsidiary in the ordinary course of business;

(n) Liens solely on any cash earnest money deposits made by the Borrower or any of the Restricted Subsidiaries in connection with any letter of intent or purchase agreement in connection with an investment permitted by Section 10.5;

(o) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;

(p) the prior right of consignees and their lenders under consignment arrangements entered into in the ordinary course of business;

(q) agreements to subordinate any interest of the Borrower or any Restricted Subsidiary in any accounts receivable or other proceeds arising from inventory consigned by the Borrower or any Restricted Subsidiary pursuant to an agreement entered into in the ordinary course of business;

(r) Junior Liens securing Indebtedness permitted by Section 10.1(b); *provided* that such Liens are subject to a Junior Lien Intercreditor Agreement and any such Indebtedness secured by Junior Liens is *pari passu* in right of payment with all other Indebtedness secured by Junior Liens;

(s) Liens solely on the EHP Collateral securing Indebtedness arising under the EHP Notes and permitted by Section 10.1(c) (other than, for the avoidance of doubt, in respect of the Borrower);

(t) Liens securing any Indebtedness permitted by Section 10.1(f) (solely and to the same extent that the Indebtedness guaranteed by such Guarantee Obligations is permitted to be subject to a Lien hereunder), Section 10.1(m), Section 10.1(p) (as long as such Liens attach only to cash and securities and securities held by the relevant Cash Management Bank) and Section 10.1(v);

(u) Liens arising pursuant to Section 107(l) of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9607(l), or other Environmental Law, unless such Lien (i) by action of the lienholder, or by operation of law, takes priority over any Liens arising under the Credit Documents on the property upon which it is a Lien, or (ii) materially impairs the use of the property covered by such Lien for the purposes for which such property is held;

(v) Liens on cash or Permitted Investments held by a trustee under any indenture or other debt agreement issued in escrow pursuant to customary escrow arrangements pending the release thereof, or under any indenture or other debt agreement pursuant to customary discharge, redemption or defeasance provisions, in each case solely to the extent the relevant release, discharge, redemption or defeasance would be permitted hereunder;

(w) additional Liens on property not constituting Borrowing Base Properties securing obligations not in excess of the greater of (i) $50,000,000 and (ii) 3.0% of the then-effective Borrowing Base outstanding at any time;

(x) Liens on Equity Interests in (i) a joint venture that does not constitute a Subsidiary securing obligations of such joint venture so long as the assets of such joint venture do not constitute Collateral and (ii) Unrestricted Subsidiaries; and

(y) Liens arising from judgments or decrees in circumstances not constituting an Event of Default under Section 11.9.

For purposes of determining compliance with this Section 10.2, (i) a Lien need not be incurred solely by reference to one category of Liens permitted under this Section 10.2, but may be incurred under any combination of such categories (including in part under one such category and in part under any other such category) and (ii) in the event that a Lien (or any portion thereof) meets the criteria of one or more of such categories of Liens permitted under this Section 10.2, the Borrower shall, in its sole discretion, classify or reclassify such Lien (or any portion thereof) in any manner that complies with this Section 10.2. In addition, with respect to any Lien securing Indebtedness that was permitted to secure such Indebtedness at the time of the incurrence of such Indebtedness, such Lien shall also be permitted to secure any and all premiums, interest (including post-petition interest), fees, expenses, charges, and additional or contingent interest on obligations of such Indebtedness.

No intention to subordinate the first priority Lien granted in favor of the Secured Parties is to be hereby implied or expressed by the permitted existence of the Liens permitted under this Section 10.2 or the use of the phrase "subject to" when used in connection with Permitted Liens, Liens permitted by this Section 10.2 or otherwise.

10.3 Limitation on Fundamental Changes. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, consummate any merger, division, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or Dispose of, all or substantially all its business units, assets or other properties, except that:

(a) any Subsidiary of the Borrower or any other Person may be merged, amalgamated or consolidated with or into the Borrower; *provided* that (i) the Borrower shall be the continuing or surviving Person (and the Borrower shall remain an entity organized or existing under the laws of the United States, any state thereof or the District of Columbia) or, in the case of a merger, amalgamation or consolidation with or into the Borrower, the Person formed by or surviving any such merger, amalgamation or consolidation shall be an entity organized or existing under the laws of the United States, any state thereof or the District of Columbia (the Borrower or such Person, as the case may be, being herein referred to as the "Successor Borrower"), (ii) the Successor Borrower (if other than the Borrower) shall expressly assume all the obligations of the Borrower under this Agreement and the other Credit Documents pursuant to a supplement hereto or thereto in form reasonably satisfactory to the Administrative Agent, (iii) no Default, Event of Default or Borrowing Base Deficiency has occurred and is continuing at the date of such merger, amalgamation or consolidation or would result from such consummation of such merger, amalgamation or consolidation, (iv) the Borrower's Consolidated Secured Net Leverage Ratio on a *pro forma* basis shall not exceed that of the Borrower immediately prior to the consummation of such merger, amalgamation or consolidation, (v) such merger, amalgamation or consolidation does not adversely affect the Collateral, taken as a whole, in any material respect, (vi) if such merger, amalgamation or consolidation involves the Borrower and a Person that, prior to the consummation of such merger, amalgamation or consolidation, is not a Subsidiary of the Borrower (A) each Guarantor, unless it is the other party to such merger, amalgamation or consolidation or unless the Successor Borrower is the Borrower, shall have by a supplement to the Guarantee confirmed that its Guarantee shall apply to the Successor Borrower's obligations under this Agreement, (B) each Subsidiary grantor and each Subsidiary pledgor, unless it is the other party to such merger, amalgamation or consolidation or unless the Successor Borrower is the Borrower, shall have by a supplement to the Credit Documents confirmed that its obligations thereunder shall apply to the Successor Borrower's obligations under this Agreement, (C) each mortgagor of a Mortgaged Property, unless it is the other party to such merger, amalgamation or consolidation or unless the Successor Borrower is the Borrower, shall have by an amendment to or restatement of the applicable Mortgage confirmed that its obligations thereunder shall apply to the Successor Borrower's obligations under this Agreement, (D) the Borrower shall have delivered to the Administrative Agent an officer's certificate stating that such merger, amalgamation or consolidation and any supplements to the Credit Documents preserve the enforceability of the Guarantee and the perfection and priority of the Liens under the Security Documents and as to the matters of the nature referred to in Section 6(c), (E) if reasonably requested by the Administrative Agent, an opinion of counsel shall be required to be provided to the effect that such merger, amalgamation or consolidation does not violate this Agreement or any other Credit Document and as to such other matters regarding the Successor Borrower and the Credit Documents as the Administrative Agent or its counsel may reasonably request; *provided*, *further*, that if the foregoing are satisfied, the Successor Borrower (if other than the Borrower) will succeed to, and be substituted for, the Borrower under this Agreement and (F) such merger, amalgamation or consolidation shall comply with all the conditions set forth in the definition of the term "Permitted Acquisition" or is otherwise permitted under Section 10.5; (vii) the Administrative Agent shall have received at least five (5) days prior to the date of such merger, amalgamation or consolidation all documentation and other information about such Successor Borrower, Subsidiary or other Person required under applicable "know your customer" and anti-money

laundering rules and regulations, including the Patriot Act that has been requested by the Administrative Agent; and (viii) such Subsidiary or other Person shall have executed a customary joinder to any then-existing Junior Lien Intercreditor Agreement;

(b) any Subsidiary of the Borrower or any other Person (other than the Borrower) may be merged, amalgamated or consolidated with or into any one or more Subsidiaries of the Borrower; *provided* that (i) in the case of any merger, amalgamation or consolidation involving one or more Restricted Subsidiaries, (A) a Restricted Subsidiary shall be the continuing or surviving Person or (B) the Borrower shall take all steps necessary to cause the Person formed by or surviving any such merger, amalgamation or consolidation (if other than a Restricted Subsidiary) to become a Restricted Subsidiary, (ii) in the case of any merger, amalgamation or consolidation involving one or more Guarantors, unless otherwise permitted by Section 10.5, a Guarantor shall be the continuing or surviving Person or the Person formed by or surviving any such merger, amalgamation or consolidation (if other than a Guarantor) shall execute a supplement to the Guarantee, the Collateral Agreement and any applicable Mortgage, and a joinder to the Intercompany Note and any then-existing Junior Lien Intercreditor Agreement, in form and substance reasonably satisfactory to the Collateral Agent in order for the surviving Person to become a Guarantor, and pledgor, mortgagor and grantor of Collateral for the benefit of the Secured Parties and to acknowledge and agree to the terms of the Intercompany Note and any then-existing Junior Lien Intercreditor Agreement, (iii) no Default, Event of Default or Borrowing Base Deficiency has occurred and is continuing on the date of such merger, amalgamation or consolidation or would result from the consummation of such merger, amalgamation or consolidation, (iv) if such merger, amalgamation or consolidation involves a Subsidiary and a Person that, prior to the consummation of such merger, amalgamation or consolidation, is not a Restricted Subsidiary of the Borrower, (A) the Borrower's Consolidated Secured Net Leverage Ratio on a *pro forma* basis shall not exceed that of the Borrower immediately prior to the consummation of such merger, amalgamation or consolidation, (B) the Borrower shall have delivered to the Administrative Agent an officer's certificate stating that such merger, amalgamation or consolidation and such supplements to any Credit Document preserve the enforceability of the Guarantee and the perfection and priority of the Liens under the Collateral Agreement and (C) such merger, amalgamation or consolidation shall comply with all the conditions set forth in the definition of the term "Permitted Acquisition" or is otherwise permitted under Section 10.5; and (v) the Administrative Agent shall have received at least five (5) days prior to the date of such merger, amalgamation or consolidation all documentation and other information about such Subsidiary or other Person required under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act that has been requested by the Administrative Agent or any Lender;

(c) any Restricted Subsidiary that is not a Grantor (other than EHP Topco and EHP Midco) may (i) merge, amalgamate or consolidate with or into any other Restricted Subsidiary that is not a Grantor (other than EHP Topco and EHP Midco) and (ii) Dispose of any or all of its assets (upon voluntary liquidation or otherwise) to the Borrower, a Guarantor or any other Restricted Subsidiary of the Borrower (other than to the EHP Entities prior to the EHP Discharge Date or to the Production Sharing Entities);

(d) any Subsidiary Guarantor may (i) merge, amalgamate or consolidate with or into any other Subsidiary Guarantor and (ii) Dispose of any or all of its assets (upon voluntary liquidation or otherwise) to the Borrower or any other Guarantor;

(e) any Restricted Subsidiary may liquidate or dissolve if (i) the Borrower determines in good faith that such liquidation or dissolution is in the best interests of the Borrower and is not materially disadvantageous to the Lenders and (ii) to the extent such Restricted Subsidiary is a Credit Party, any assets or business of such Restricted Subsidiary not otherwise Disposed of or transferred in accordance with Section 10.4 or 10.5, in the case of any such business, discontinued, shall be transferred to, or otherwise

owned or conducted by, a Guarantor after giving effect to such liquidation or dissolution; provided, that no Production Sharing Contract shall be Disposed of or transferred to the Borrower or a Guarantor;

(f) the Borrower and its Restricted Subsidiaries may consummate the Transactions;

(g) the Borrower and the Restricted Subsidiaries may consummate a merger, dissolution, liquidation, amalgamation, consolidation or Disposition, the purpose of which is to effect a Disposition permitted pursuant to Section 10.4 or an Investment permitted by Section 10.5;

(h) a Credit Party may consummate any merger the sole purpose of which is to reincorporate or reorganize such Credit Party in another jurisdiction in the United States as long as such merger does not adversely affect the value of the Collateral in any material respect and the surviving entity assumes all Obligations of the applicable Credit Party under the Credit Documents by delivering the information required by Section 9.11 and delivers any applicable information required by Section 9.1(o); and

(i) any Production Sharing Entity may (i) merge, amalgamate or consolidate with or into any other Production Sharing Entity and (ii) Dispose of any or all of its assets (upon voluntary liquidation or otherwise) to any other Production Sharing Entity.

10.4 Limitation on Sale of Assets. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, (x) convey, sell, lease, sell and leaseback, assign, transfer (including any Production Payments and Reserve Sales) or otherwise dispose of any of its property, business or assets (including receivables and leasehold interests), whether now owned or hereafter acquired or (y) sell to any Person (other than the Borrower or a Guarantor) any shares owned by it of any Restricted Subsidiary's Equity Interests (each of the foregoing a "Disposition"), except that:

(a) the Borrower and the Restricted Subsidiaries may Dispose of (i) inventory and other goods held for sale, including Hydrocarbons, obsolete, worn out, used or surplus equipment, vehicles and other assets (other than accounts receivable) in the ordinary course of business, (ii) Permitted Investments and (iii) assets for the purposes of community and public outreach, including, without limitation, charitable contributions and similar gifts, funding of or participation in trade, business and technical associations, and political contributions made in accordance with applicable Requirement of Law, to the extent such assets are not material to the ability of the Borrower and its Subsidiaries, taken as a whole, to conduct its business in the ordinary course;

(b) the Borrower and the Restricted Subsidiaries may Dispose of any Borrowing Base Properties (or of any Subsidiary owning Borrowing Base Properties), including, without limitation, Dispositions in respect of Production Payments and Reserve Sales and in connection with operating agreements, Farm-In Agreements, Farm-Out Agreements, joint exploration and development agreements and other agreements customary in the oil and gas industry for the purpose of developing such Oil and Gas Properties, so long as (i) such Disposition is for Fair Market Value, (ii) at least 75% of the consideration for such Disposition is cash received by the Borrower or Restricted Subsidiary making such Disposition and (iii) no Event of Default or Borrowing Base Deficiency exists or would result therefrom (unless, in the case of a Borrowing Base Deficiency, the Net Cash Proceeds of such Disposition are sufficient, together with Unrestricted Cash, to eliminate any Borrowing Base Deficiency that would result therefrom); *provided*, that if the sum of (x) the Borrowing Base Value of terminated, unwound and/or off-setting positions in respect of commodity hedge positions (whether evidenced by a floor, put or Hedge Agreement) (after taking into account any other similar Hedge Agreements acceptable to the Required Lenders executed contemporaneously with the taking of such actions) *plus* (y) the aggregate Borrowing Base Value of all such Borrowing Base Properties Disposed of (after giving effect to any concurrent acquisitions of and other investments in Oil and Gas Properties by the Borrower and its Restricted Subsidiaries with respect to which

the Borrower has delivered an acceptable Reserve Report to the Required Lenders in accordance with Section 9.14(b)), in each case, since the later of (A) the most recent Scheduled Redetermination Date and (B) the last adjustment of the Borrowing Base made pursuant to Section 2.14(f) exceeds 5.0% of the then-effective Borrowing Base, then the Borrower shall provide notice to the Administrative Agent of such Disposition pursuant to Section 9.1(m) and the Borrowing Base Properties so Disposed and the Borrowing Base may be adjusted in accordance with the provisions of Section 2.14(f);

(c) (i) the Borrower and the other Guarantors may Dispose of property or assets to any other Guarantor, (ii) any Restricted Subsidiary may Dispose of property or assets (other than a Production Sharing Contract) to the Borrower or to a Guarantor, (iii) any Restricted Subsidiary that is not a Guarantor may Dispose of property or assets to any other Restricted Subsidiary that is not a Guarantor (other than EHP Entities) and (iv) the Production Sharing Entities may Dispose of Production Sharing Contracts to any other Production Sharing Entity;

(d) to the extent such transaction constitutes a Disposition, the Borrower and any Restricted Subsidiary may effect any transaction permitted by Sections 10.2 (other than Section 10.2(t)), Section 10.3 (other than Section 10.3(g)), Section 10.5 (other than Section 10.5(t)) or Section 10.6 (other than in the case of Section 10.6, to the extent any such Restricted Payment by the Borrower consists of Oil and Gas Properties); *provided* that if the aggregate Borrowing Base Value of all Borrowing Base Properties Disposed of pursuant to a transaction permitted by Section 10.5 (after giving effect to any concurrent acquisitions of and other investments in Oil and Gas Properties by the Borrower and its Restricted Subsidiaries with respect to which the Borrower has delivered an acceptable Reserve Report to the Required Lenders in accordance with Section 9.14(b)), in each case, since the later of (A) the most recent Scheduled Redetermination Date and (B) the last adjustment of the Borrowing Base made pursuant to Section 2.14(f) exceeds 5.0% of the then-effective Borrowing Base, then the Borrower shall provide notice to the Administrative Agent of such Disposition pursuant to Section 9.1(m) and the Borrowing Base Properties so Disposed and the Borrowing Base may be adjusted in accordance with the provisions of Section 2.14(f);

(e) the Borrower and the Restricted Subsidiaries may lease, sublease, license or sublicense real property (other than Oil and Gas Properties, except to the extent such Oil and Gas Properties represent fee owned real property leased to a Guarantor), personal property or intellectual property in the ordinary course of business; *provided* that, with respect to intellectual property, the Borrower or any of its Restricted Subsidiaries receives (or retains) a license or other ownership rights to use such intellectual property;

(f) Dispositions (including like-kind exchanges and reverse like-kind exchanges) of property to the extent that (i) such property is exchanged for credit against the purchase price of similar replacement property or (ii) the proceeds of such Disposition are applied to the purchase price of such replacement property; *provided* if Borrowing Base Properties are Disposed of pursuant to this clause (f), after giving effect to such Disposition, the difference between (x) the Borrowing Base in effect immediately prior to such Disposition *minus* (y) the PV-9 (calculated at the time of such Disposition) of the Borrowing Base Properties Disposed of since the later of (i) the last Scheduled Redetermination Date and (ii) the last adjustment of the Borrowing Base made pursuant to Section 2.14(f) exceeds the Aggregate Elected Commitment Amount in effect immediately prior to such Disposition;

(g) (i) Dispositions of, or Farm-Out Agreements with respect to, undeveloped acreage to which no Proved Reserves are attributable and assignments in connection with such Dispositions or Farm-Out Agreements and (ii) Dispositions of surface interests or properties that are not Borrowing Base Properties in connection with the development of solar assets on such surface interests or properties;

(h) Dispositions of Investments in joint ventures (regardless of the form of legal entity) to the extent required by, or made pursuant to, customary buy/sell arrangements between the joint venture parties set forth in joint venture arrangements and similar binding arrangements;

(i) transfers of property subject to a Casualty Event or in connection with any condemnation proceeding with respect to Collateral;

(j) the unwinding or termination of any Hedge Agreement (subject to the terms of Section 2.14(f) and Section 10.4(b));

(k) Dispositions of, or Farm-Out Agreements with respect to, Oil and Gas Properties or any interest therein, or the Equity Interests of any Restricted Subsidiary or of any Minority Investment owning Oil and Gas Properties, in each case that are not Borrowing Base Properties and other assets not included in the Borrowing Base, in each case subject to the mandatory prepayment of the Loans pursuant to Section 5.2(b)(iv); *provided*, that (i) such Disposition shall be for Fair Market Value and (ii) no Default or Event of Default shall have occurred and be continuing;

(l) any issuance or sale of Equity Interests in, or sale of Indebtedness or other securities of, an Unrestricted Subsidiary (or a Restricted Subsidiary which owns an Unrestricted Subsidiary so long as such Restricted Subsidiary owns no assets other than the Equity Interests of such Unrestricted Subsidiary);

(m) subject to adjustment of the Borrowing Base as set forth in Section 2.14(f) to the extent applicable, any swap of assets (other than cash equivalents) in exchange for services or assets of the same type in the ordinary course of business of comparable or greater value or usefulness to the business of the Borrower and its Subsidiaries as a whole, as determined in good faith by the management of the Borrower;

(n) Dispositions listed on Schedule 10.4(n);

(o) Disposition of any asset between or among the Borrower and/or its Subsidiaries as a substantially concurrent interim Disposition in connection with a transaction permitted by Section 10.3, or in connection with an Investment otherwise permitted pursuant to Section 10.5 or a Disposition otherwise permitted pursuant to clauses (a) through (m) above, so long as any such Disposition to a non-Guarantor shall be subject to adjustment of the Borrowing Base as set forth in Section 2.14(f) to the extent applicable;

(p) the lapse or abandonment in the ordinary course of business of any registrations or applications for registration of any immaterial intellectual property rights;

(q) Dispositions for Fair Market Value of assets up to an aggregate value for all such Dispositions of $10,000,000 in any fiscal year; *provided*, that if the aggregate Borrowing Base Value of all such Borrowing Base Properties Disposed of pursuant to this Section 10.4(q) (after giving effect to any concurrent acquisitions of and other investments in Oil and Gas Properties by the Borrower and its Restricted Subsidiaries with respect to which the Borrower has delivered an acceptable Reserve Report to the Required Lenders in accordance with Section 9.14(b)), in each case, since the later of (A) the most recent Scheduled Redetermination Date and (B) the last adjustment of the Borrowing Base made pursuant to Section 2.14(f) exceeds 5.0% of the then-effective Borrowing Base, then the Borrower shall provide notice to the Administrative Agent of such Disposition pursuant to Section 9.1(m) and the Borrowing Base Properties so Disposed and the Borrowing Base may be adjusted in accordance with the provisions of Section 2.14(f);

(r) Dispositions required to be made pursuant to Section 9.15 of the Note Purchase Agreement as in effect on the Closing Date and the transactions contemplated thereby; and

(s) Disposition of any easement on any surface rights to any Governmental Authority to satisfy the requirements of any "conservation easements" or similar programs established by any Governmental Authority; *provided* that such Disposition does not materially impair the exploitation and development of the affected Oil and Gas Properties.

To the extent any Collateral is Disposed of as expressly permitted by this Section 10.4 to any Person other than a Credit Party, such Collateral shall be sold free and clear of the Liens created by the Credit Documents, and, if requested by the Administrative Agent, upon the certification by the Borrower that such Disposition is permitted by this Agreement, the Administrative Agent shall be authorized to take any actions deemed appropriate in order to effect the foregoing at Borrower's sole cost and expense.

10.5 Limitation on Investments. The Borrower will not, and will not permit any of the Restricted Subsidiaries, to (i) purchase or acquire (including pursuant to any merger, consolidation or amalgamation with a person that is not a Wholly owned Subsidiary immediately prior to such merger, consolidation or amalgamation) any Equity Interests, evidences of Indebtedness or other securities of any other Person, (ii) make any loans or advances to or guarantees of the Indebtedness of any other Person, or (iii) purchase or otherwise acquire (in one transaction or a series of related transactions) (x) all or substantially all of the property and assets or business of another Person or (y) assets constituting a business unit, line of business or division of such Person (each, an "Investment"), except:

(a) extensions of trade credit and purchases of assets and services (including purchases of inventory, supplies and materials) in the ordinary course of business;

(b) Investments in assets that constituted Permitted Investments at the time such Investments were made;

(c) loans and advances to officers, directors, employees and consultants of the Borrower or any of its Restricted Subsidiaries (i) for reasonable and customary business-related travel, entertainment, relocation and analogous ordinary business purposes (including employee payroll advances) and (ii) in connection with such Person's purchase of Equity Interests of the Borrower; *provided* that, (i) to the extent such loans and advances are made in cash, the amount of such loans and advances used to acquire such Equity Interests shall be contributed to the Borrower in cash and (ii) the aggregate principal amount outstanding pursuant to this clause (c) shall not exceed $5,000,000;

(d) (i) Investments existing on, or made pursuant to commitments in existence on, the Closing Date as set forth on Schedule 10.5(d), (ii) Investments existing on the Closing Date of the Borrower or any Subsidiary in any other Subsidiary and (iii) any extensions, modifications, replacements, renewals or reinvestments thereof, so long as the amount of any Investment made pursuant to this clause (d) is not increased at any time above the amount of such Investment as of the Closing Date (other than (a) pursuant to an increase as required by the terms of any such Investment as in existence on the Closing Date or (b) as otherwise permitted under this Section 10.5);

(e) any Investment acquired by the Borrower or any of its Restricted Subsidiaries: (i) in exchange for any other Investment, accounts receivable or endorsements for collection or deposit held by the Borrower or any such Restricted Subsidiary in each case in connection with or as a result of a bankruptcy, workout, reorganization or recapitalization of, or settlement of delinquent accounts and disputes with or judgments against, the issuer of such other Investment or accounts receivable (including any trade creditor or customer), (ii) in satisfaction of judgments against other Persons, (iii) as a result of a foreclosure by the Borrower or any of its Restricted Subsidiaries with respect to any secured Investment or other transfer of title with respect to any secured Investment in default or (iv) as a result of the settlement, compromise or resolution of litigation, arbitration or other disputes with Persons who are not Affiliates;

(f) Investments to the extent that payment for such Investments is made with Qualified Equity Interests of the Borrower;

(g) Investments (i) by the Borrower in any Guarantor or by any Guarantor in the Borrower, (ii) by any Grantor in the Borrower or any other Grantor; *provided*, that Investments by any Grantor in the Borrower or any Guarantor shall be subordinated in right of payment to the Loans, and (iii) by one EHP Entity in any other EHP Entity other than EHP Topco;

(h) Investments constituting Permitted Acquisitions;

(i) Investments made at any such time during which, immediately after giving effect to the making of any such Investment on a *pro forma* basis, the Restricted Payment Conditions are satisfied;

(j) Investments constituting promissory notes and other non-cash proceeds of Dispositions of assets to the extent permitted by Section 10.4 or any other disposition of assets not constituting a Disposition;

(k) Investments consisting of Restricted Payments permitted under Section 10.6 (other than Section 10.6(c));

(l) Investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business, and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors and other credits to suppliers in the ordinary course of business;

(m) Investments in the ordinary course of business consisting of endorsements for collection or deposit and customary trade arrangements with customers consistent with past practices or industry practice;

(n) advances of payroll payments to employees, consultants or independent contractors or other advances of salaries or compensation to employees, consultants or independent contractors, in each case of the Borrower or any Restricted Subsidiary and in the ordinary course of business;

(o) guarantee obligations of the Borrower or any Restricted Subsidiary of leases (other than Capitalized Leases) or of other obligations that do not constitute Indebtedness, in each case entered into in the ordinary course of business;

(p) Investments held by a Person acquired (including by way of merger, amalgamation or consolidation) after the Closing Date otherwise in accordance with this Section 10.5 to the extent that such Investments were not made in contemplation of or in connection with such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;

(q) Investments in Industry Investments;

(r) to the extent constituting Investments, the Transactions;

(s) Investments in Hedge Agreements permitted by each of Section 10.1 and Section 10.10;

(t) Investments consisting of fundamental changes and Dispositions permitted under Sections 10.3 (other than Sections 10.3(a), (c) and (g)) and 10.4 (other than Section 10.4(d));

(u) in the case of the Borrower and the Grantors, Investments consisting of intercompany Indebtedness having a term not exceeding 364 days (inclusive of any roll over or extension of terms) and made in the ordinary course of business; *provided* that, in the case of any such Indebtedness owing by the Borrower or a Grantor to a Grantor that is not a Guarantor, such Indebtedness shall be subordinated to the Obligations pursuant to the Intercompany Note; *provided, further,* that in the case of any such Indebtedness owing by a Grantor that is not a Guarantor to the Borrower or a Guarantor, (i) such Indebtedness shall be evidenced by the Intercompany Note pledged in favor of the Collateral Agent for the benefit of the Secured Parties pursuant to the Collateral Agreement and (ii) the aggregate amount of all such Indebtedness owing by a Grantor that is not a Guarantor to the Borrower or a Guarantor pursuant to this Section 10.5(u) shall not to exceed the greater of (A) $10,000,000 and (B) 2.0% of the Borrowing Base at the time such Indebtedness is incurred;

(v) Investments resulting from pledges and deposits under clauses (d) and (e) of the definition of "Permitted Liens" and clauses (i), (p) and (v) of Section 10.2;

(w) advances in the form of a prepayment of expenses, so long as such expenses are being paid in accordance with customary trade terms of the Borrower or the relevant Restricted Subsidiary;

(x) Investments consisting of licensing of intellectual property pursuant to joint marketing arrangements with other Persons in the ordinary course of business;

(y) Investments made in the ordinary course of business in connection with obtaining, maintaining or renewing client contacts and loans or advances made to distributors in the ordinary course of business;

(z) cash Investments in Excluded Subsidiaries having an aggregate fair market value, taken together with all other Investments made pursuant to this Section 10.5(z) that are at the time outstanding, without giving effect to the sale of an Excluded Subsidiary to the extent the proceeds of such sale do not consist of marketable securities (until such proceeds are converted to cash equivalents) not to exceed the greater of (i) $10,000,000 and (ii) 2.0% of the Borrowing Base at the time of such Investment (with the fair market value of each Investment being measured at the time made and without giving effect to subsequent changes in value), so long as immediately after giving effect to the making of any such Investment on a *pro forma* basis, the Restricted Payment Conditions are satisfied;

(aa) Investments in Unrestricted Subsidiaries consisting of (i) undeveloped acreage to which no Proved Reserves are attributable or (ii) assets that are not Borrowing Base Properties and other assets not included in the Borrowing Base, in each case, in relation to Farm-In Agreements, Farm-Out Agreements, joint operating, joint venture, joint development activities or other similar oil and gas exploration and production business arrangement; *provided* that immediately after giving effect to the making of any such Investment made in cash on a *pro forma* basis, the Restricted Payment Conditions are satisfied;

(bb) any Investment constituting a Disposition or transfer of any asset between or among the Borrower and/or its Restricted Subsidiaries as a substantially concurrent interim Disposition or transfer in connection with an Investment otherwise permitted pursuant to clauses (a) through (aa) above or in connection with a transaction permitted by Section 10.3 or in connection with a Disposition permitted pursuant to Section 10.4; and

(cc) Permitted EHP Payments permitted under Section 10.18.

10.6 Limitation on Restricted Payments. The Borrower will not directly or indirectly pay any dividend or make any other distribution (by reduction of capital or otherwise), whether in cash, property,

securities or a combination thereof, with respect to any of its Equity Interests (other than dividends and distributions on Equity Interests payable solely by the issuance of additional Qualified Equity Interests) or redeem, purchase, retire or otherwise acquire for value any of its Equity Interests (other than through the issuance of additional Qualified Equity Interests), or permit any Restricted Subsidiary to purchase or otherwise acquire for consideration (except in connection with an Investment permitted under Section 10.5) any Equity Interests of the Borrower, now or hereafter outstanding (all of the foregoing, "Restricted Payments"); except that:

(a) the Borrower may redeem in whole or in part any of its Equity Interests in exchange for another class of its Equity Interests or with proceeds from substantially concurrent equity contributions or issuances of new Equity Interests; *provided* that such new Equity Interests contain terms and provisions at least as advantageous to the Lenders in all material respects to their interests as those contained in the Equity Interests redeemed thereby;

(b) the Borrower may redeem, acquire, retire or repurchase shares of its Equity Interests held by any present or former officer, manager, consultant, director or employee (or their respective Affiliates, estates, spouses, former spouses, successors, executors, administrators, heirs, legatees, distributees or immediate family members) of the Borrower and its Restricted Subsidiaries, in connection with the death, disability, retirement or termination of employment of any such Person or otherwise in accordance with any equity option or equity appreciation rights plan, any management, director and/or employee equity ownership, benefit or incentive plan or agreement, equity subscription plan, employment termination agreement or any other employment agreements or equity holders' agreement; *provided* that the aggregate amount of Restricted Payments made under this clause (b) shall not exceed (A) $10,000,000 in any calendar year (with unused amounts in any calendar year being carried over to succeeding calendar years subject to a maximum of $20,000,000 in any calendar year), plus (B) all Net Cash Proceeds obtained by or contributed to the Borrower during such calendar year from the sales of Equity Interests to other present or former officers, consultants, employees, directors and managers in connection with any permitted compensation and incentive arrangements plus (C) all net cash proceeds obtained from any key-man life insurance policies received during such calendar year plus (D) the amount of any cash bonuses otherwise payable to members of management, directors or consultants of the Borrower or its Subsidiaries in connection with the Transactions that are foregone in return for the receipt of Equity Interests; notwithstanding the foregoing, the Borrower may elect to apply all or any portion of the aggregate increase contemplated by clauses (B), (C) and (D) above in any calendar year and *provided*, further, that cancellation of Indebtedness owing to the Borrower or any of its Restricted Subsidiaries from any future, present or former employees, directors, officers, members of management or consultants, of the Borrower, any Restricted Subsidiary, any direct or indirect parent company of the Borrower or any of the Borrower's Restricted Subsidiaries in connection with a repurchase of Equity Interests of the Borrower or any of its direct or indirect parent companies will not be deemed to constitute a Restricted Payment for purposes of this covenant or any other provision of this Agreement;

(c) to the extent constituting Restricted Payments, the Borrower may make Investments permitted by Section 10.5 (other than Sections 10.5(m) and (w));

(d) to the extent constituting Restricted Payments, the Borrower may consummate transactions expressly permitted by Section 10.3;

(e) the Borrower may repurchase Equity Interests of the Borrower upon exercise of stock options or warrants if such Equity Interests represents all or a portion of the exercise price of such options or warrants;

(f) the Borrower may make Restricted Payments in the form of Equity Interests of the Borrower (other than Disqualified Stock not otherwise permitted by Section 10.1);

(g) the Borrower or any of the Restricted Subsidiaries may pay cash in lieu of fractional shares in connection with any dividend, split or combination thereof or other Investment permitted under Section 10.5;

(h) the Borrower may pay any dividends or distributions within sixty (60) days after the date of declaration thereof, if at the date of declaration such payment would have complied with the other clauses of this Section 10.6;

(i) (i) the Borrower may pay dividends in cash to the holders of its Equity Interests in an amount not to exceed $1,000,000 in any fiscal year so long as no Default, Event of Default or Borrowing Base Deficiency shall have occurred and be continuing at the time of, and immediately following such Restricted Payment and (ii) so long as, immediately after giving effect thereto on a *pro forma* basis, the Restricted Payment Conditions are satisfied, the Borrower may declare and pay additional Restricted Payments without limit in cash to the holders of its Equity Interests;

(j) the Borrower may consummate the Transactions (and pay fees and expenses in connection therewith on or following the Closing Date), and make payments described in Section 10.14(a), (e) and (f) (subject to the conditions set out therein);

(k) payments made or expected to be made by the Borrower or any of the Restricted Subsidiaries in respect of required withholding or similar non-U.S. Taxes with respect to any future, present or former employee, director, manager or consultant and any repurchases of Equity Interests in consideration of such payments including deemed repurchases in connection with the exercise of stock options;

(l) payments and distributions to dissenting stockholders pursuant to applicable law, pursuant to or in connection with a consolidation, merger, amalgamation or transfer of all or substantially all of the assets of the Borrower and its Restricted Subsidiaries taken as a whole that complies with the terms of this Agreement; and

(m) the distribution, by dividend or otherwise, of Equity Interests of, or Indebtedness owed to the Borrower or a Restricted Subsidiary by, an Unrestricted Subsidiary (or a Restricted Subsidiary that owns an Unrestricted Subsidiary); *provided* that such Restricted Subsidiary owns no assets other than Equity Interests of an Unrestricted Subsidiary (other than Unrestricted Subsidiaries the primary assets of which are cash and/or Permitted Investments).

10.7 Limitations on Debt Payments and Amendments.

(a) The Borrower will not, and will not permit any Restricted Subsidiary to, prepay, repurchase or redeem or otherwise defease prior to its scheduled maturity any Permitted Additional Debt, any Material Indebtedness or any other Indebtedness for borrowed money that is expressly subordinated in right of payment to or payment priority or is secured by a Junior Lien (or any Permitted Refinancing Indebtedness in respect thereof to the extent constituting Other Debt) (such Permitted Additional Debt, Material Indebtedness or other Indebtedness or any Permitted Refinancing Indebtedness in respect thereof, "Other Debt") (for the avoidance of doubt, it being understood that payments of regularly-scheduled cash interest in respect of Other Debt and any AHYDO payments shall be permitted unless expressly prohibited by the terms of the documents governing any such subordination); *provided*, *however*, that the Borrower or any Restricted Subsidiary may prepay, repurchase, redeem or defease prior to its scheduled maturity any Other

Debt (i) in exchange for or with the proceeds of any Permitted Refinancing Indebtedness, (ii) by converting or exchanging any Other Debt to Qualified Equity Interests, (iii) so long as, immediately after giving effect thereto on a *pro forma* basis, the Restricted Payment Conditions are satisfied, (iv) in exchange for or with proceeds of any Qualified Equity Interests within thirty (30) days of receipt of such proceeds, (v) owed to the Borrower or any Restricted Subsidiary to the extent not prohibited by the subordination provisions contained in the Intercompany Note or (vi) with respect to the EHP Notes, with the Net Cash Proceeds of the EHP Collateral so long as such payment is made within thirty (30) days of the receipt of such proceeds; *provided*, *further*, that, after giving effect to any adjustment of the Borrowing Base made pursuant to Section 2.14(f) and any repayment of the Loans required in connection therewith, so long as no Event of Default then exists, the Borrower or any Guarantor may make mandatory prepayments in respect of any Other Debt with the proceeds of the disposition of any assets that have been pledged to secure such Other Debt;

(b) The Borrower will not amend or modify the terms of any Other Debt (other than the EHP Notes), other than amendments or modifications that (i) would otherwise comply with the definition of "Permitted Refinancing Indebtedness" that may be incurred to Refinance any such Indebtedness, (ii) would have the effect of converting any Other Debt to Qualified Equity Interests or (iii) to the extent such amendment or modification would not have been prohibited under this Agreement at the time such Permitted Refinancing Indebtedness, Other Debt or documentation was first issued, incurred or entered into, as applicable (it being understood that in no event shall such amendment or modification (x) make earlier the final maturity date of such Indebtedness or reduce the Weighted Average Life to Maturity of such Indebtedness or (y) shall include any financial maintenance covenants that are more restrictive than the financial maintenance covenants under the Loan Documents or prohibit prior repayment or prepayment of the Loans and the covenants and events of default applicable to such Other Debt shall not be more restrictive to the Borrower and its Subsidiaries than the covenants and events of default under the Loan Documents, taken as a whole; in each case, as reasonably determined by the Borrower in good faith, unless such covenants or events of default are incorporated into this Agreement and, (z) with respect to any Permitted Additional Debt or Permitted Refinancing Indebtedness thereof, such analysis shall assume that the Agreement in effect at the time of such amendment or modification constituted the Agreement at the time when such Permitted Refinancing Indebtedness or Other Debt was first issued, incurred or entered into, as applicable); and

(c) Notwithstanding the foregoing and for the avoidance of doubt, nothing in this Section 10.7 shall prohibit (i) the repayment or prepayment of intercompany subordinated Indebtedness owed among the Borrower and/or the Restricted Subsidiaries, in either case, unless an Event of Default has occurred and is continuing and the Borrower has received a notice from the Collateral Agent instructing it not to make or permit the Borrower and/or the Restricted Subsidiaries to make any such repayment or prepayment, or (ii) substantially concurrent transfers of credit positions in connection with intercompany debt restructurings so long as such Indebtedness is permitted by Section 10.1 after giving effect to such transfer.

10.8 Negative Pledge Agreements. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, enter into or permit to exist any Contractual Requirement (other than this Agreement or any other Credit Document) that limits the ability of the Borrower or any Restricted Subsidiary to create, incur, assume or suffer to exist Liens on property of such Person for the benefit of the Secured Parties with respect to the Obligations or under the Credit Documents; *provided* that the foregoing shall not apply to each of the following Contractual Requirements that:

(a) (i) exist on the Closing Date and (to the extent not otherwise permitted by this Section 10.8) are listed on Schedule 10.8 and (ii) to the extent Contractual Requirements permitted by subclause (i) are set forth in an agreement evidencing Indebtedness or other obligations, are set forth in any agreement evidencing any Permitted Refinancing Indebtedness incurred to Refinance such Indebtedness or obligation

so long as such Permitted Refinancing Indebtedness does not expand the scope of such Contractual Requirement;

(b) are binding on a Restricted Subsidiary at the time such Restricted Subsidiary first becomes a Restricted Subsidiary of the Borrower, so long as such Contractual Requirements were not entered into solely in contemplation of such Person becoming a Restricted Subsidiary of the Borrower;

(c) represent Indebtedness permitted under Section 10.1 of a Restricted Subsidiary of the Borrower that is not a Grantor so long as such Contractual Requirement applies only to such Subsidiary and its Subsidiaries;

(d) arise pursuant to agreements entered into with respect to any sale, transfer, lease or other Disposition permitted by Section 10.4 and applicable solely to assets under such sale, transfer, lease or other Disposition;

(e) are customary provisions in joint venture agreements and other similar agreements permitted by Section 10.5 and applicable to joint ventures or otherwise arise in (A) agreements which restrict the Disposition or distribution of assets or property subject to oil and gas leases, joint operating agreements, joint exploration and/or development agreements, participation agreements or (B) any Production Sharing Contracts or similar instrument on which a Lien cannot be granted without the consent of a third party (to the extent the Administrative Agent and the Lenders otherwise have an Acceptable Security Interest in the property covered by such contract or instrument pursuant to the definition thereof or the property covered thereby is not required to be pledged as Collateral pursuant to the Credit Documents) and, in each case other similar agreements entered into in the ordinary course of the oil and gas exploration and development business and customary provisions in any Agreement of the type described in the definition of "Industry Investments" entered into in the ordinary course of business;

(f) are customary restrictions on leases, subleases, licenses or asset sale agreements otherwise permitted hereby so long as such restrictions relate to the assets subject thereto;

(g) are customary provisions restricting subletting or assignment of any lease governing a leasehold interest of the Borrower or any Restricted Subsidiary or in leases prohibiting Liens on retained property rights of the lessor in connection with operations of the lessee conducted on the leased property;

(h) are customary provisions restricting assignment of any agreement entered into in the ordinary course of business;

(i) restrict the use of cash or other deposits imposed by customers under contracts entered into in the ordinary course of business;

(j) exist under any documentation governing any Permitted Refinancing Indebtedness incurred to Refinance any Indebtedness but only to the extent such Contractual Requirement is not materially more restrictive, taken as a whole, than the Contractual Requirement in the Indebtedness being refinanced;

(k) are customary net worth provisions contained in real property leases entered into by any Restricted Subsidiary of the Borrower, so long as the Borrower has determined in good faith that such net worth provisions would not reasonably be expected to impair the ability of the Borrower and the Restricted Subsidiaries to meet their ongoing obligation;

(l) are included in any agreement relating to any Lien, so long as (i) such Lien is permitted under Section 10.2(b), (c) or (f) and such restrictions or conditions relate only to the specific asset subject to such Lien and (ii) such restrictions and conditions are not created for the purpose of avoiding the restrictions imposed by this Section 10.8;

(m) are restrictions imposed by any agreement relating to Indebtedness incurred pursuant to Section 10.1 or Permitted Refinancing Indebtedness in respect thereof, to the extent such restrictions are not materially more restrictive, taken as a whole, than the restrictions contained in the Credit Documents as determined by the Borrower in good faith;

(n) are restrictions regarding licenses or sublicenses by the Borrower and the Restricted Subsidiaries of intellectual property in the ordinary course of business (in which case such restriction shall relate only to such intellectual property);

(o) arise in connection with cash or other deposits permitted under Sections 10.2 and 10.5 and limited to such cash or deposit; and

(p) are encumbrances or restrictions imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (a) through (o) above; *provided* that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Borrower's board of directors, no more restrictive in any material respect with respect to such encumbrance and other restrictions taken as a whole than those prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing.

10.9 Limitation on Subsidiary Distributions. The Borrower will not, and will not permit any of its Restricted Subsidiaries that are not Guarantors to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or consensual restriction on the ability of any such Restricted Subsidiary to pay dividends or make any other distributions to the Borrower or any Restricted Subsidiary on its Equity Interests or with respect to any other interest or participation in, or measured by, its profits or transfer any property to the Borrower or any Restricted Subsidiary except (in each case) for such encumbrances or restrictions existing under or by reason of:

(a) contractual encumbrances or restrictions in effect on the Closing Date, including pursuant to the Credit Documents;

(b) purchase money obligations for property acquired in the ordinary course of business and obligations under any Capitalized Lease that impose restrictions on transferring the property so acquired;

(c) any agreement or other instrument of a Person acquired by or merged or consolidated with or into the Borrower or any Restricted Subsidiary, or of an Unrestricted Subsidiary that is designated a Restricted Subsidiary, or that is assumed in connection with the acquisition of assets from such Person, in each case that is in existence at the time of such transaction (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person and its Subsidiaries, or the property or assets of the Person and its Subsidiaries, so acquired or designated;

(d) secured Indebtedness otherwise permitted to be incurred pursuant to Section 10.1(n) as it relates to the right of the debtor to dispose of the assets securing such Indebtedness;

(e) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;

(f) other Indebtedness of Borrower and its Restricted Subsidiaries permitted to be incurred subsequent to the Closing Date pursuant to Sections 10.1(a), (k), (n) and (o) and (y) so long as the provisions relating to such encumbrance or restriction contained in such Indebtedness are no less favorable to the Borrower, taken as a whole, as determined by the board of directors of the Borrower in good faith, than the provisions contained in this Agreement as in effect on the Closing Date;

(g) customary provisions in joint venture agreements or agreements governing property held with a common owner and other similar agreements or arrangements relating solely to such joint venture or property or are otherwise customary encumbrances or restrictions imposed pursuant to any agreement of the type described in the definition of "Industry Investments" entered into in the ordinary course of business;

(h) customary provisions contained in leases, sub-leases, licenses, sub-licenses or similar agreements, in each case, entered into in the ordinary course of business;

(i) any agreements entered into with respect to any sale, transfer, lease or other Disposition permitted by Section 10.4 and applicable solely to assets under such sale, transfer, lease or other Disposition;

(j) any encumbrances or restrictions imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (a) through (i) above; *provided* that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Borrower's board of directors, no more restrictive in any material respect with respect to such encumbrance and other restrictions taken as a whole than those prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing; and

(k) Indebtedness under the EHP Notes.

10.10 Hedge Agreements. The Borrower will not, and will not permit any Restricted Subsidiary (other than EHP Midco and its Subsidiaries, prior to the EHP Discharge Date) to, enter into any Hedge Agreements with any Person other than:

(a) Hedge Agreements with Approved Counterparties in respect of Hydrocarbons entered into not for speculative purposes the net notional volumes for which (when aggregated with other commodity Hedge Agreements then in effect, other than puts, floors and basis differential swaps on volumes already hedged pursuant to other Hedge Agreements) do not exceed, as of the date the latest hedging transaction is entered into under a Hedge Agreement, 80% of the reasonably anticipated Hydrocarbon production of crude oil, natural gas and natural gas liquids, calculated separately, from the Credit Parties' total Proved Reserves (as forecast based upon the Initial Reserve Report or the most recent Reserve Report delivered pursuant to Section 9.14(a), as applicable) for the forty-eight (48) month period from the date of creation of such hedging arrangement, based on daily volumes on an annual basis (the "Ongoing Hedges"). In no event shall any Hedge Agreement entered into by the Credit Parties have a tenor longer than forty-eight (48) months. In addition to the Ongoing Hedges, in connection with a proposed or pending acquisition of Oil and Gas Properties (a "Proposed Acquisition"), the Credit Parties may also enter into incremental hedging contracts with respect to the Credit Parties' reasonably anticipated projected production from the total Proved Reserves of the Borrower and its Restricted Subsidiaries as forecast based upon the most recent Reserve Report having notional volumes not in excess of 15% of the Credit Parties' existing projected

production prior to the consummation of such Proposed Acquisition (such that the aggregate shall not be more than 100% of the reasonably anticipated projected production prior to the consummation of such Proposed Acquisition) for a period not exceeding thirty-six (36) months from the date such hedging arrangement is created during the period between (i) the date on which such Guarantor signs a definitive acquisition agreement in connection with a Proposed Acquisition and (ii) the earliest of (A) the date of consummation of such Proposed Acquisition, (B) the date of termination of such Proposed Acquisition and (C) thirty (30) days after the date of execution of such definitive acquisition agreement (or such longer period as the Administrative Agent may agree in its reasonable discretion). However, all such incremental hedging contracts entered into with respect to a Proposed Acquisition must be terminated or unwound within thirty (30) days following the date of termination of such Proposed Acquisition. It is understood that commodity Hedge Agreements which may, from time to time, "hedge" the same volumes of commodity risk but different elements of commodity risk thereof, including where one or more such Hedge Agreements partially offset one or more other such Hedge Agreements, shall not be aggregated together when calculating the foregoing limitations on notional volumes.

(b) Other Hedge Agreements (other than any Hedge Agreements in respect of Hydrocarbons or equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions) entered into not for speculative purposes.

(c) It is understood that for purposes of this Section 10.10, the following Hedge Agreements shall be deemed not to be speculative or entered into for speculative purposes: (i) any commodity Hedge Agreement intended, at inception of execution, to hedge or manage any of the risks related to existing and or forecasted Hydrocarbon production of the Borrower or its Restricted Subsidiaries (whether or not contracted) and (ii) any Hedge Agreement intended, at inception of execution, (A) to hedge or manage the interest rate exposure associated with any debt securities, debt facilities or leases (existing or forecasted) of the Borrower or its Restricted Subsidiaries, (B) for foreign exchange or currency exchange management, (C) to manage commodity portfolio exposure associated with changes in interest rates or (D) to hedge any exposure that the Borrower or its Restricted Subsidiaries may have to counterparties under other Hedge Agreements such that the combination of such Hedge Agreements is not speculative taken as a whole.

(d) For purposes of entering into or maintaining Ongoing Hedges under Section 10.10(a), forecasts of reasonably projected Hydrocarbon production volumes and reasonably anticipated Hydrocarbon production from the Credit Parties' total Proved Reserves based upon the Initial Reserve Report or the most recent Reserve Report delivered pursuant to Section 9.14(a), as applicable, shall be revised to account for any increase or decrease therein anticipated because of information obtained by Borrower or any other Credit Party subsequent to the publication of such Reserve Report including the Borrower's or any other Credit Party's internal forecasts of production decline rates for existing wells and additions to or deletions from anticipated future production from new wells and acquisitions coming on stream or failing to come on stream.

10.11 Financial Covenants.

(a) Consolidated Total Net Leverage Ratio. The Borrower will not permit the Consolidated Total Net Leverage Ratio as of the last day of the Test Period ending on March 31, 2021 and as of the last day of any Test Period ending thereafter to be greater than 3.00 to 1.00 (or in the event that the EHP Discharge Date has not occurred on or prior to December 31, 2021, and only for so long as the EHP Discharge Date has not occurred, 2.50 to 1.00 as of the last day of the Test Period ending on December 31, 2021, and as of the last day of any Test Period ending thereafter).

(b) Current Ratio. The Borrower will not permit the Current Ratio as of the last day of the fiscal quarter ending on or after March 31, 2021 to be less than 1.00 to 1.00.

(c) Liquidity. If on the effective date of the Spring 2021 Scheduled Redetermination, (i) Liquidity is less than $290,000,000 as of such date and (ii) the amount of any increase in the Aggregate Elected Commitment Amount since the Closing Date plus the aggregate amount of net cash proceeds received since the Closing Date from any Junior Capital Transaction is less than $60,000,000, then, following such date and until the date that (x) Liquidity is not less than $290,000,000 as of such date and (y) the amount of any increase in the Aggregate Elected Commitment Amount since the Closing Date plus the aggregate amount of net cash proceeds received since the Closing Date from any Junior Capital Transaction is at least $60,000,000, the Borrower will not permit Liquidity to be less than $200,000,000 as of the last day of each calendar month, as certified by the Borrower to the Administrative Agent, showing in reasonable detail the basis for the calculation thereof, within five (5) Business Days of the end of each such calendar month.

10.12 Accounting Changes; Amendments to Organization Documents. The Borrower shall not and shall not permit any of its Restricted Subsidiaries to (a) have its fiscal year end on a date other than December 31 or have its fiscal quarters end on dates other than March 31, June 30 or September 30 or (b) amend, supplement or otherwise modify (or permit to be amended, supplemented or modified) its Organization Document in a manner that is material and adverse to the interests of the Administrative Agent or the Lenders without the consent of the Majority Lenders and the Administrative Agent.

10.13 Change in Business. The Borrower and its Restricted Subsidiaries, taken as a whole, will not fundamentally and substantively alter the character of their business, taken as a whole, from (i) the business conducted by them on the Closing Date or (ii) any other business reasonably related, complementary, incidental, synergistic or ancillary thereto or reasonable extensions thereof.

10.14 Transactions with Affiliates. The Borrower shall not conduct, and cause each of the Restricted Subsidiaries not to conduct, any transactions involving aggregate payments or consideration in excess of $10,000,000 with any of its Affiliates (other than the Borrower and the Restricted Subsidiaries or any entity that becomes a Restricted Subsidiary as a result of such transaction) unless such transactions are on terms that are substantially no less favorable to the Borrower or such Restricted Subsidiary as it would obtain at the time in a comparable arm's-length transaction with a Person that is not an Affiliate, as determined by the board of directors or managers of the Borrower or such Restricted Subsidiary in good faith; *provided* that the foregoing restrictions shall not apply to:

(a) the consummation of the Transactions, including the payment of Transaction Expenses;

(b) the issuance of Equity Interests of the Borrower to any officer, director, employee or consultant of any of the Borrower or any of its Subsidiaries;

(c) equity issuances, repurchases, retirements, redemptions or other acquisitions or retirements of Equity Interests by the Borrower permitted under Section 10.6;

(d) loans, advances and other transactions between or among the Borrower, any Subsidiary or any joint venture (regardless of the form of legal entity) in which the Borrower or any Subsidiary has invested (and which Subsidiary or joint venture would not be an Affiliate of the Borrower or such Subsidiary, but for the Borrower's or such Subsidiary's ownership of Equity Interests in such joint venture or such Subsidiary) to the extent permitted under Section 10;

(e) employment and severance arrangements and health, disability and similar insurance or benefit plans between the Borrower and the Subsidiaries and their respective future, current or former directors, officers, employees or consultants (including management and employee benefit plans or agreements, subscription agreements or similar agreements pertaining to the repurchase of Equity Interests

pursuant to put/call rights or similar rights with future, current or former employees, officers, directors or consultants and equity option or incentive plans and other compensation arrangements) in the ordinary course of business or as otherwise approved by the board of directors or managers of the Borrower;

(f) transactions pursuant to agreements in existence on the Closing Date and set forth on Schedule 10.14 or any amendment thereto or arrangement similar thereto to the extent such amendment or arrangement is not adverse, taken as a whole, to the Lenders in any material respect (as determined by the Borrower in good faith);

(g) any issuance of Equity Interests or other payments, awards or grants in cash, securities, Equity Interests or otherwise pursuant to, or the funding of, employment arrangements, equity options and equity ownership plans approved by the board of directors or board of managers of the Borrower;

(h) payments or loans (or cancellation of loans) to officers, directors, employees or consultants which are approved by a majority of the Board of Directors of the Borrower in good faith;

(i) any lease entered into between the Borrower or any Restricted Subsidiary, as lessee and any Affiliate of the Borrower, as lessor, which is approved by a majority of the disinterested members of the Board of Directors in good faith or, any lease entered into between the Borrower or any Restricted Subsidiary, as lessee, and any Affiliate of the Borrower, as lessor, in the ordinary course of business;

(j) Permitted Intercompany Activities;

(k) the formation and maintenance of any consolidated group or subgroup for tax, accounting or cash pooling or management purposes in the ordinary course of business;

(l) Restricted Payments, redemptions, repurchases and other actions permitted under Section 10.6;

(m) transactions with customers, clients, joint venture partners, suppliers or purchasers or sellers of goods or services, in each case in the ordinary course of business and otherwise in compliance with the terms of this Agreement that are fair to the Borrower and the Restricted Subsidiaries, in the reasonable determination of the Board of Directors or the senior management of the Borrower, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated party; and

(n) Permitted EHP Payments permitted under Section 10.18.

10.15 Sale or Discount of Receivables. Except for (a) receivables obtained by the Borrower or any Restricted Subsidiary out of the ordinary course of business, (b) the settlement of joint interest billing accounts in the ordinary course of business or discounts granted to settle collection of accounts receivable or the sale of defaulted accounts arising in the ordinary course of business in connection with the compromise or collection thereof and not in connection with any financing transaction or (c) a sale of receivables to the extent the proceeds thereof are used to prepay any Loans then outstanding, neither the Borrower nor any Restricted Subsidiary will discount or sell (with or without recourse) any of its notes receivable or accounts receivable.

10.16 Gas Imbalances, Prepayments; Service Agreement Undertakings.

(a) The Borrower shall not, and shall not permit its Restricted Subsidiaries to have, gas imbalances, take or pay or other prepayments (other than Service Agreement Undertakings) exceeding one

half bcf of gas (stated on an mcf equivalent basis) listed on the most recent Reserve Report, that would require any Credit Party to deliver Hydrocarbons either generally or produced from their Oil and Gas Properties at some future time without then or thereafter receiving full payment therefor.

(b) The Borrower shall not, and shall not permit any Restricted Subsidiary to enter into any Service Agreement Undertakings other than: (i) the Service Agreement Undertakings in existence on the Closing Date and identified on Schedule 8.17, (ii) Service Agreement Undertakings entered into by the Borrower or a Guarantor (A) that do not include acreage dedications and which do not convey a working interest, overriding royalty interest or other similar real property interest (in each case other than a dedication) in the dedicated acreage and (B) at the time such Service Agreement Undertakings are entered into, cover volumes of Hydrocarbons, if any, that do not exceed 75% of reasonably anticipated projected production from Proved Developed Producing Reserves for each quarterly period set forth in the most recently delivered Reserve Report.

(c) The Borrower shall not, and shall not permit any Restricted Subsidiary to amend or modify any Service Agreement Undertakings to (i) increase the volumes covered by any acreage dedications to a level greater than that permitted under Section 10.16(b)(ii)(B) determined as if the date of the amendment or modification were the date when such acreage dedications were entered into, or (ii) add any ability of the counterparty to such Service Agreement Undertakings to foreclose on the property that is associated with such Service Agreement Undertakings.

10.17 ERISA Compliance. The Borrower will not, and will not permit any Subsidiary to, at any time:

(a) engage, or permit any ERISA Affiliate to engage, in any transaction in connection with which the Borrower, a Subsidiary or any ERISA Affiliate could be subjected to either a civil penalty assessed pursuant to subsections (c), (i), (l) or (m) of Section 502 of ERISA or a tax imposed by Chapter 43 of Subtitle D of the Code, if either of which would have a Material Adverse Effect;

(b) fail to make, or permit any ERISA Affiliate to fail to make, full payment when due of all amounts which, under the provisions of any such Plan, agreement relating thereto or applicable law, the Borrower, a Subsidiary or any ERISA Affiliate is required to pay as contributions thereto, if such failure could reasonably be expected to have a Material Adverse Effect; or

(c) except as set forth on Schedule 10.17(c), contribute to or assume an obligation to contribute to, or permit any ERISA Affiliate to contribute to or assume an obligation to contribute to (i) any employee welfare benefit plan, as defined in Section 3(1) of ERISA, including, without limitation, any such plan maintained to provide benefits to former employees of such entities, that may not be terminated by such entities in their sole discretion at any time without any material liability other than the payment of accrued benefits under such plan, or (ii) any employee pension benefit plan, as defined in Section 3(2) of ERISA, that is subject to Title IV of ERISA, Section 302 of ERISA or Section 412 of the Code.

10.18 EHP Entities. Unless the EHP Discharge Date shall have occurred, the following covenants shall apply:

(a) The Borrower shall not, and shall not permit any Subsidiary to transfer any cash, assets or property to any EHP Entity or incur growth or expansion capital expenditures with respect to the assets of any EHP Entity, in each case other than: (i) cash Investments permitted under Section 10.5(i) and (z); (ii) Permitted EHP Payments, provided that, solely in the case of a Permitted EHP Payment pursuant to clause (i) of the definition thereof, the amount of unrestricted cash (with any cash constituting EHP Collateral being deemed "unrestricted" for this purpose) held at the EHP Entities on a *pro forma* basis for such

Permitted EHP Payment shall not exceed $10,000,000 and (iii) the grant of the EHP Easement, EHP LTS Ground Lease and EHP Ground Lease; provided that any expansion or modification of the rights of the EHP Entities under the EHP Easement, EHP LTS Ground Lease or EHP Ground Lease shall not (x) modify the nature of the grant as a non-exclusive grant of a surface interest only, or expand the legal description of such EHP Easement, EHP LTS Ground Lease or EHP Ground Lease, in each case without the consent of the Administrative Agent or (y) impair the operation or marketability of the Oil and Gas Properties (other than the EHP Collateral) underlying or contiguous with such EHP Easement, EHP LTS Ground Lease or EHP Ground Lease.

(b) The Borrower shall not, and shall not permit any EHP Entity to amend, modify, or permit the amendment or modification of, any provision of (x) the EHP Easement, the EHP LTS Ground Lease or the EHP Ground Lease, other than amendments or modifications that are not materially adverse to the Lenders (it being understood that amendments or modifications that are determined by the board of directors or managers of the Borrower in good faith to be necessary to effectuate the plan of subdivision in satisfaction of the requirements of Section 9.15 of the EHP Note Purchase Agreement in effect as of the Closing Date shall not be materially adverse to the Lenders), including (A) modifying the nature of the grant of the EHP Easement, the EHP LTS Ground Lease or EHP Ground Lease as a non-exclusive grant of a surface interest only, or expanding the legal description of such EHP Easement, the EHP LTS Ground Lease or EHP Ground Lease, in each case without the consent of the Administrative Agent or (B) impairing the operation or marketability of the Oil and Gas Properties (other than the EHP Collateral) underlying or contiguous with such EHP Easement, the EHP LTS Ground Lease or EHP Ground Lease or (y) any EHP Notes or any agreement relating thereto (other than the EHP Support Agreement, which shall be governed by clause (c) below), to the extent such amendment or modification would: (i) increase the principal amount (or accreted value, if applicable) of such Indebtedness, after giving effect to such amendment or modification, such that the principal amount (or accreted value, if applicable) exceeds that of the Indebtedness prior to such amendment or modification (plus unpaid accrued interest, breakage costs and premium thereon), (ii) cause the average life to maturity of such Indebtedness, after giving effect to such amendment or modification, to be less than that of such Indebtedness prior to such amendment or modification, (iii) shorten the final maturity date thereof to a date that is earlier than 180 days after the Maturity Date, (iv) shorten any period for payment of interest thereon or add or change any redemption, put or prepayment provisions, (v) make the restrictions on the EHP Entities' ability to declare and pay dividends or make distributions more restrictive than those in place on the Closing Date or (vi) increase the rate of interest applicable under the EHP Notes by more than 2.00% per annum, other than (A) any increase occurring because of fluctuations in underlying rate indices, (B) any increase or step-up in rates otherwise contemplated by the EHP Notes in place on the Closing Date or (C) the imposition of the Default Rate (as defined in the EHP Notes or a substantially similar default rate of interest) during the pendency of any Event of Default (provided the margin that the Default Rate represents over the rate of interest in effect without the imposition of the Default Rate shall not be increased above 2.00% per annum).

(c) The Borrower shall not, and shall not permit any EHP Entity to amend, modify, waive or permit the amendment, modification or waiver of any provision of the EHP Support Agreement to the extent that: (i) the payment obligations under such EHP Support Agreement are increased (including, without limitation, any expansion of the funding and contract requirements under Section 2(a) or (d)(ii) thereof), (ii) the defaults or remedies are made more restrictive on the EHP Entities, (iii) the EHP Support Agreement shall restrict or limit any amendment, modification or waiver of this Agreement or any of the other Credit Documents in any manner other than as provided in Section 2(g) of the EHP Support Agreement as in effect on the Closing Date, (iv) the obligations of the Borrower and its Subsidiaries to use the assets of the EHP Entities under Section 2(d)(i), (iii) or (iv) thereof are amended or modified in a manner that increases or makes more restrictive (vis-à-vis the Borrower and its Subsidiaries) such obligations than as provided in Section 2(d)(i), (iii) or (iv), respectively, of the EHP Agreement as in effect on the Closing Date) or (v) such amendment, modification or waiver amends, modifies or waives the Majority Lenders' right to consent

to assignments of the Borrower's rights, obligations and interests under the EHP Support Agreement set forth in Section 4(c) thereof.

(d) Subject to Section 10.18(a), (b) and (c), other than the EHP Support Agreement, the EHP Easement and the EHP Ground Lease and any other agreements entered into on or prior to the Closing Date and agreements otherwise permitted by this Agreement or otherwise contemplated by the EHP Support Agreement or the other Note Documents as of the Closing Date, the EHP Entities shall not enter into any agreements with the Borrower or the Grantors.

(e) Except with the concurrent refinancing of the EHP Notes in full (to the extent permitted hereunder), the Borrower shall not, and shall not permit any EHP Entity to, consummate any merger, division, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or Dispose of, all or substantially all its business units, assets or other properties, except that any EHP Entity (other than EHP Topco) may (i) merge, amalgamate or consolidate with or into any other EHP Entity (other than EHP Topco) and (ii) Dispose of any or all of its assets (upon voluntary liquidation or otherwise) to any other EHP Entity (other than EHP Topco).

10.19 Production Sharing Entities; Production Sharing Contracts.

(a) The Borrower shall not permit any Production Sharing Entity to:

(i) create, incur, assume or suffer to exist any Indebtedness other than Indebtedness permitted pursuant to Section 10.1(q), (s), (v), (w) or other Indebtedness permitted under Section 10.1 not for borrowed money incurred in the ordinary course of business and consistent with past practice;

(ii) create, incur, assume or suffer to exist any Lien upon any property or assets of any kind (real or personal, tangible or intangible) of such Production Sharing Entity, whether now owned or hereafter acquired, except Liens permitted pursuant to Section 10.2(a), (b) (other than Permitted Liens described in clause (c), (d), (g) (with respect to Service Agreement Undertakings), and (i) thereof), (d), (h), (i), (j) and (o);

(iii) enter into or permit to exist any Contractual Requirement (other than this Agreement or any other Credit Document) that limits the ability of such Production Sharing Entity to create, incur, assume or suffer to exist Liens on property of such Person for the benefit of the Secured Parties with respect to the Obligations or under the Credit Documents; *provided* that the foregoing shall not apply to Contractual Requirements permitted pursuant to Section 10.8(a)(i);

(iv) directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or consensual restriction on the ability of any such Restricted Subsidiary to pay dividends or make any other distributions to the Borrower or any Restricted Subsidiary on its Equity Interests or with respect to any other interest or participation in, or measured by, its profits or transfer any property to the Borrower or any Restricted Subsidiary;

(v) convey, sell, lease, sell and leaseback, assign, transfer (including any Production Payments and Reserve Sales) or otherwise dispose of any Production Sharing Contract, whether now owned or hereafter acquired, to the Borrower or any Subsidiary of the Borrower; or

(vi) consummate any merger, division, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or Dispose of, all or substantially all its business units, assets or other properties to the Borrower or any Subsidiary of the Borrower,

except that a Production Sharing Entity may be merged, amalgamated or consolidated with or into another Production Sharing Entity.

(b) The Borrower shall not permit any Production Sharing Entity to own any direct Equity Interest in any Person (other than any Immaterial Subsidiary) or any Borrowing Base Properties other than those, in each case, either associated with Production Sharing Contracts or owned as of the Closing Date.

(c) The Borrower shall not, and shall not permit any Subsidiary (other than a Production Sharing Entity) to, enter into or otherwise be a party to a Production Sharing Contract.

(d) At all times, all of the Equity Interests that are owned directly or indirectly by the Borrower of each Production Sharing Entity that is a Material Subsidiary shall be owned directly by a Guarantor or the Borrower and shall be pledged pursuant to the Collateral Agreement.

SECTION 11. EVENTS OF DEFAULT

Upon the occurrence of any of the following specified events (each an "Event of Default"):

11.1 Payments. The Borrower shall (a) default in the payment when due of any principal of the Loans or any Unpaid Drawings or (b) default, and such default shall continue for five or more days, in the payment when due of any interest on the Loans, fees or of any other amounts owing hereunder or under any other Credit Document (other than any amount referred to in clause (a) above).

11.2 Representations, Etc. Any representation, warranty or statement made or deemed made by any Credit Party herein or in any other Credit Document or any certificate, report or notice delivered or required to be delivered pursuant hereto or thereto shall prove to be untrue in any material respect on the date as of which made or deemed made.

11.3 Covenants. Any Credit Party shall:

(a) default in the due performance or observance by it of any term, covenant or agreement contained in Sections 9.1(d)(i), 9.5 (solely with respect to the Borrower), 9.12, 9.17 or Section 10; or

(b) default in the due performance or observance by it of any term, covenant or agreement (other than those referred to in Section 11.1 or 11.2 or clause (a) of this Section 11.3) contained in this Agreement or any Credit Document and such default shall continue unremedied for a period of at least thirty (30) days after receipt of written notice thereof by the Borrower from the Administrative Agent.

11.4 Default Under Other Agreements.

(a) The Borrower or any of the Restricted Subsidiaries shall (i) default in any payment with respect to any Material Indebtedness (other than the Indebtedness described in Section 11.1) beyond the period of grace, if any, provided in the instrument of agreement under which such Indebtedness was created or (ii) default in the observance or performance of any agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist (other than (1) with respect to indebtedness in respect of any Hedge Agreements, termination events or equivalent events pursuant to the terms of such Hedge Agreements, (2) any event requiring prepayment pursuant to customary asset sale provisions and (3) secured Indebtedness that becomes due as a result of a Disposition (including as a result of Casualty Event) of the property or assets securing such indebtedness permitted under this Agreement), the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness

(or a trustee or agent on behalf of such holder or holders) to cause, any such Indebtedness to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity, unless, in the case of each of the foregoing, such holder or holders shall have (or through its or their trustee or agent on its or their behalf) waived such default in a writing to the Borrower, or

(b) Without limiting the provisions of clause (a) above, any such default under any such Material Indebtedness shall cause such Material Indebtedness to be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment or as a mandatory prepayment (and (i) with respect to Indebtedness consisting of any Hedge Agreements, other than due to a termination event or equivalent event pursuant to the terms of such Hedge Agreements, (ii) other than pursuant to customary asset sale provisions and (iii) other than secured Indebtedness that becomes due as a result of a Disposition (including as a result of Casualty Event) of the property or assets securing such Indebtedness permitted under this Agreement) prior to the stated maturity thereof.

11.5 Bankruptcy, Etc. The Borrower or any Restricted Subsidiary shall commence a voluntary case, proceeding or action concerning itself under (a) Title 11 of the United States Code entitled "Bankruptcy" or any other applicable insolvency, debtor relief, or debt adjustment law; or (b) in the case of any Foreign Subsidiary that is a Restricted Subsidiary, any domestic or foreign law relating to bankruptcy, judicial management, insolvency, reorganization, administration or relief of debtors in effect in its jurisdiction of incorporation, in each case as now or hereafter in effect, or any successor thereto (collectively, the "Bankruptcy Code"); or an involuntary case, proceeding or action is commenced against the Borrower or any Restricted Subsidiary and the petition is not dismissed or stayed within sixty (60) days after commencement of the case, proceeding or action, the Borrower or the applicable Restricted Subsidiary consents to the institution of such case, proceeding or action prior to such 60-day period, or any order of relief or other order approving any such case, proceeding or action is entered; or a custodian (as defined in the Bankruptcy Code), receiver, receiver manager, trustee, conservator, liquidator, examiner, rehabilitator, administrator, or similar person is appointed for, or takes charge of, the Borrower or any Restricted Subsidiary or all or any substantial portion of the property or business thereof; or the Borrower or any Restricted Subsidiary suffers any appointment of any custodian, receiver, receiver manager, trustee, conservator, liquidator, examiner, rehabilitator, administrator, or the like for it or any substantial part of its property or business to continue undischarged or unstayed for a period of sixty (60) days; or the Borrower or any Restricted Subsidiary makes a general assignment for the benefit of creditors.

11.6 ERISA. (i) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan, (ii) any Credit Party or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its Withdrawal Liability under Section 4201 of ERISA under a Multiemployer Plan, or (iii) a termination, withdrawal or noncompliance with applicable law or plan terms or termination, withdrawal or other event similar to an ERISA Event occurs with respect to a Foreign Plan, in each case if any of the events set forth in (i)-(iii) above results in a Lien on the assets of a Credit Party, or either individually or when taken together with other such events, could reasonably be expected to result in a liability of $50,000,000 or more.

11.7 Credit Documents. The Credit Documents or any material provision thereof shall cease to be in full force or effect (other than pursuant to the terms hereof and thereof) or any Guarantor, Grantor or any other Credit Party shall assert in writing that any such Credit Party's obligations thereunder are not to be in effect or are not to be legal, valid and binding obligations (other than pursuant to the terms hereof or thereof).

11.8 Security Documents. The Mortgage or any other Security Document or any material provision thereof or a Junior Lien Intercreditor Agreement or any material portion thereof shall cease to be

in full force or effect (other than pursuant to the terms hereof or thereof), or any grantor thereunder or any other Credit Party shall assert in writing that any grantor's obligations under the Collateral Agreement, the Mortgage or any other Security Document are not in effect or not legal, valid and binding obligations (other than pursuant to the terms hereof or thereof).

11.9 Judgments. One or more monetary judgments or decrees shall be entered against the Borrower or any of the Restricted Subsidiaries involving a liability of $50,000,000 or more in the aggregate for all such judgments and decrees for the Borrower and the Restricted Subsidiaries (to the extent not paid or covered by insurance provided by a carrier not disputing coverage), which judgments or decrees are not satisfied, vacated, discharged or effectively waived or stayed or bonded pending appeal within sixty (60) consecutive days after the entry thereof.

11.10 Change of Control. A Change of Control shall have occurred.

11.11 Intercreditor Agreements. (i) Any of the Obligations of the Grantors under the Credit Documents for any reason shall cease to be (x) "Senior Debt," "Senior Indebtedness," "Guarantor Senior Debt" or "Senior Secured Financing" (or any comparable term) under, and as defined in, any document governing Other Debt or (y) "First Lien Credit Agreement Obligations" or "Senior Obligations" (or any comparable term) under, and as defined in, any Junior Lien Intercreditor Agreement or (ii) the subordination provisions set forth in any Junior Lien Intercreditor Agreement, Subordination Agreement or other document governing Other Debt shall, in whole or in part, cease to be effective or cease to be legally valid, binding and enforceable against the holders of such Other Debt or parties to (or purported to be bound by) the Subordination Agreement, in each case, if applicable.

Then, and in any such event, and at any time thereafter, if any Event of Default shall then be continuing, the Administrative Agent may with the consent of and, upon the written request of the Majority Lenders, shall, by written notice to the Borrower, take any or all of the following actions, without prejudice to the rights of the Administrative Agent or any Lender to enforce its claims against the Borrower or any other Credit Party, except as otherwise specifically provided for in this Agreement (*provided* that, if an Event of Default specified in Section 11.5 shall occur with respect to the Borrower, the result that would occur upon the giving of written notice by the Administrative Agent as specified in clauses (a), (b) and (c) below shall occur automatically without the giving of any such notice): (a) declare the Total Commitment terminated, whereupon the Commitment of each Lender shall forthwith terminate immediately and any fees theretofore accrued shall forthwith become due and payable without any other notice of any kind, (b) declare the principal of and any accrued interest and fees in respect of any or all Loans and any or all Obligations owing hereunder and thereunder to be, whereupon the same shall become, forthwith due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower, and/or (c) demand cash collateral in respect of any outstanding Letter of Credit pursuant to Section 3.7(b) in an amount equal to the aggregate Stated Amount of all Letters of Credit issued and then outstanding. In addition, after the occurrence and during the continuance of an Event of Default, the Administrative Agent and the Lenders will have all other rights and remedies available at law and equity.

11.12 Application of Proceeds. Any amount received by the Administrative Agent or the Collateral Agent from any Credit Party (or from proceeds of any Collateral) following any acceleration of the Obligations under this Agreement or any Event of Default with respect to the Borrower under Section 11.5 shall, subject to the terms of any applicable Junior Lien Intercreditor Agreement, be applied:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including fees, disbursements and other charges of counsel payable under Section 12.7 and amounts payable under Article II) payable to the Administrative Agent and/or Collateral Agent in such Person's capacity as such;

Second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal, interest and Letter of Credit Fees) payable to the Lenders and the Issuing Banks (including fees, disbursements and other charges of counsel payable under Section 12.7) arising under the Credit Documents and amounts payable under Article II, ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid Letter of Credit Fees and interest on the Loans and Unpaid Drawings, ratably among the Lenders and the Issuing Banks in proportion to the respective amounts described in this clause Third payable to them;

Fourth, (i) to payment of that portion of the Obligations constituting unpaid principal of the Loans, the Unpaid Drawings and Obligations then owing under Secured Hedge Agreements and the Secured Cash Management Agreements and (ii) to Cash Collateralize that portion of Letters of Credit Outstanding comprising the aggregate undrawn amount of Letters of Credit to the extent not otherwise Cash Collateralized by the Borrower pursuant to Section 3.7, ratably among the Lenders, the Issuing Banks, the Hedge Banks and the Cash Management Banks in proportion to the respective amounts described in this clause Fourth held by them; *provided* that (x) any such amounts applied pursuant to the foregoing clause (ii) shall be paid to the Administrative Agent for the ratable account of the applicable Issuing Bank to Cash Collateralize such Letters of Credit Outstanding, (y) subject to Section 3.7, amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to this clause Fourth shall be applied to satisfy drawings under such Letters of Credit as they occur and (z) upon the expiration of any Letter of Credit, the pro rata share of Cash Collateral attributable to such expired Letter of Credit shall be distributed in accordance with this clause Fourth;

Fifth, to the payment of all other Obligations of the Credit Parties owing under or in respect of the Credit Documents that are due and payable to the Administrative Agent and the other Secured Parties on such date, ratably based upon the respective aggregate amounts of all such Obligations owing to the Administrative Agent and the other Secured Parties on such date; and

Last, the balance, if any, after all of the Obligations have been paid, to the Borrower or as otherwise required by Requirements of Law.

Subject to Section 3.7, amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause Fourth above shall be applied to satisfy drawings under such Letters of Credit as they occur. If any amount remains on deposit as Cash Collateral after all Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other Obligations, if any, in the order set forth above. Notwithstanding the foregoing, no amounts received from any Guarantor shall be applied to any Excluded Swap Obligations of such Guarantor.

11.13 Equity Cure.

(a) Notwithstanding anything to the contrary contained in this Section 11 or in any Credit Document, in the event that the Borrower fails to comply with the Leverage Ratio Covenant and/or the Current Ratio Covenant, then (A) until the expiration of the tenth Business Day subsequent to the date the compliance certificate for calculating the applicable Financial Performance Covenant is required to be delivered pursuant to Section 9.1(c) (the "Cure Deadline"), the Borrower shall have the right to cure such failure (the "Cure Right") by receiving cash proceeds (which cash proceeds shall be received no earlier than the first day of the applicable fiscal quarter for which there is a failure to comply with the applicable

Financial Performance Covenant) from an issuance of Qualified Equity Interests (other than Disqualified Stock) for cash as a cash capital contribution (or from any other contribution of cash to capital or issuance or sale of any other Equity Interests on terms reasonably acceptable to the Administrative Agent), and upon receipt by the Borrower of such cash proceeds (such cash amount being referred to as the "Cure Amount") pursuant to the exercise of such Cure Right, the Leverage Ratio Covenant and/or the Current Ratio Covenant (as applicable) shall be recalculated giving effect to the following pro forma adjustments:

(i) (A) Consolidated EBITDAX shall be increased, solely for the purpose of determining the existence of an Event of Default resulting from a breach of the Leverage Ratio Covenant with respect to any Test Period that includes the fiscal quarter for which the Cure Right was exercised and not for any other purpose under this Agreement, by an amount equal to the Cure Amount and/or (B) Consolidated Current Assets shall be increased, solely for the purpose of determining the existence of an Event of Default resulting from a breach of the Current Ratio Covenant with respect to any Test Period that includes the fiscal quarter for which the Cure Right was exercised and not for any other purpose under this Agreement, by an amount equal to the Cure Amount;

(ii) neither Consolidated Total Debt nor Consolidated Current Liabilities for such Test Period shall be decreased by any prepayments of Indebtedness with the proceeds of the Cure Amount and any cash proceeds shall not be "netted" for purposes of ratio calculations with respect to any four fiscal quarter period in which the fiscal quarter period in which such equity cure has been made is included; and

(iii) if, after giving effect to the foregoing recalculations, the Borrower shall then be in compliance with the requirements of the Financial Performance Covenants, the Borrower shall be deemed to have satisfied the requirements of the Financial Performance Covenants as of the relevant date of determination with the same effect as though there had been no failure to comply therewith at such date, and the applicable breach or default of the applicable Financial Performance Covenant that had occurred shall be deemed cured for the purposes of this Agreement; *provided* that (A) in each period of four (4) consecutive fiscal quarters there shall be at least two (2) fiscal quarters in which no Cure Right is exercised, (B) Cure Rights shall not be exercised more than four times during the term of this Agreement, (C) if the Borrower cures the failure to comply with both Financial Performance Covenants in the same fiscal quarter, such cures shall constitute a single cure for purposes of the preceding subclause (B), (D) if the Borrower cures the failure to comply with both Financial Performance Covenants in the same fiscal quarter, the same dollar of the Cure Amount shall be applied only once to either increase Consolidated EBITDAX or Consolidated Current Assets but not both, (E) each Cure Amount shall be no greater than the amount required to cause the Borrower to be in compliance with the applicable Financial Performance Covenant above (such amount, the "Necessary Cure Amount"); *provided* that if the Cure Right is exercised prior to the date financial statements are required to be delivered for such fiscal quarter, then the Cure Amount shall be equal to the amount reasonably determined by the Borrower in good faith that is required for purposes of complying with the Financial Performance Covenants for such fiscal quarter (such amount, the "Expected Cure Amount"), (F) in respect of the fiscal quarter in which such Cure Right was exercised and for each Test Period that includes such fiscal quarter, all Cure Amounts shall be disregarded for the purposes of any financial ratio determination under the Credit Documents other than for determining compliance with the Financial Performance Covenants and (G) no Lender or Issuing Bank shall be required to make any extension of credit hereunder during the ten (10) Business Day period referred to above, unless the Borrower shall have received the Cure Amount; and

(iv) upon receipt by the Administrative Agent of written notice, on or prior to the Cure Deadline, that the Borrower intends to exercise the Cure Right in respect of a fiscal quarter, the Lenders shall not be permitted to accelerate Loans held by them or to exercise remedies against the Collateral on the basis of a failure to comply with the requirements of the Financial Performance Covenants, unless such failure is not cured pursuant to the exercise of the Cure Right on or prior to the Cure Deadline.

(b) Expected Cure Amount. Notwithstanding anything herein to the contrary, to the extent that the Expected Cure Amount is less than the Necessary Cure Amount, then not later than the applicable Cure Deadline, the Borrower must receive cash proceeds from issuance of Equity Interests (other than Disqualified Stock) or a cash capital contribution, which cash proceeds received by Borrower shall be equal to the shortfall between such Expected Cure Amount and such Necessary Cure Amount.

SECTION 12. THE AGENTS

12.1 Appointment.

(a) Each Lender hereby irrevocably designates and appoints the Administrative Agent as the agent of such Lender under this Agreement and the other Credit Documents and irrevocably authorizes the Administrative Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Credit Documents and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent by the terms of this Agreement and the other Credit Documents, together with such other powers as are reasonably incidental thereto. The provisions of this Section 12 (other than Section 12.1(c) with respect to the Arrangers, and Sections 12.9, 12.11, 12.12 and the last sentence of Section 12.4 with respect to the Borrower) are solely for the benefit of the Agents and the Lenders, and the Borrower shall not have rights as third party beneficiary of any such provision. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Credit Document or otherwise exist against the Administrative Agent.

(b) The Administrative Agent, each Lender and each Issuing Bank hereby irrevocably designate and appoint the Collateral Agent as the agent with respect to the Collateral, and each of the Administrative Agent, each Lender and each Issuing Bank irrevocably authorizes the Collateral Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Credit Documents and to exercise such powers and perform such duties as are expressly delegated to the Collateral Agent by the terms of this Agreement and the other Credit Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Collateral Agent shall not have any duties or responsibilities except those expressly set forth herein, or any fiduciary relationship with any of the Administrative Agent, the Lenders or the Issuing Banks, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Credit Document or otherwise exist against the Collateral Agent.

(c) The Arrangers, in their capacity as such, shall not have any obligations, duties or responsibilities under this Agreement but shall be entitled to all benefits of this Section 12.

12.2 Delegation of Duties. The Administrative Agent and the Collateral Agent may each execute any of its duties under this Agreement and the other Credit Documents by or through agents, sub-agents, employees or attorneys-in-fact (each, a "Subagent") and shall be entitled to advice of counsel concerning all matters pertaining to such duties; *provided, however*, that no such Subagent shall be

authorized to take any action with respect to any Collateral unless and except to the extent expressly authorized in writing by the Administrative Agent. If any Subagent, or successor thereto, shall die, become incapable of acting, resign or be removed, all rights, powers, privileges and duties of such Subagent, to the extent permitted by law, shall automatically vest in and be exercised by the Administrative Agent until the appointment of a new Subagent. Neither the Administrative Agent nor the Collateral Agent shall be responsible for the negligence or misconduct of any Subagents selected by it.

12.3 Exculpatory Provisions. No Agent nor any of its Related Parties shall be (a) liable for any action lawfully taken or omitted to be taken by any of them under or in connection with this Agreement or any other Credit Document (except for its or such Person's own gross negligence or willful misconduct, as determined in the final judgment of a court of competent jurisdiction, in connection with its duties expressly set forth herein) (IT BEING THE INTENTION OF THE PARTIES HERETO THAT EACH AGENT AND ITS RELATED PARTIES SHALL, IN ALL CASES, BE INDEMNIFIED FOR ITS ORDINARY, COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE) or (b) responsible in any manner to any of the Lenders or any participant for any recitals, statements, representations or warranties made by any of the Borrower, any other Credit Party or any officer thereof contained in this Agreement or any other Credit Document or in any certificate, report, statement or other document referred to or provided for in, or received by such Agent under or in connection with, this Agreement or any other Credit Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Credit Document, or the perfection or priority of any Lien or security interest created or purported to be created under the Security Documents or for any failure of the Borrower or any other Credit Party to perform its obligations hereunder or thereunder. No Agent shall be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Credit Document, or to inspect the properties, books or records of any Credit Party or any Affiliate thereof. The Collateral Agent shall not be under any obligation to the Administrative Agent, any Lender or any Issuing Bank to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Credit Document, or to inspect the properties, books or records of any Credit Party.

12.4 Reliance by Agents. The Administrative Agent and the Collateral Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, telecopy, telex or teletype message, email, statement, order or other document or instruction believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including counsel to the Borrower), independent accountants and other experts selected by the Administrative Agent or the Collateral Agent. The Administrative Agent may deem and treat the Lender specified in the Register with respect to any amount owing hereunder as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Administrative Agent. The Administrative Agent and the Collateral Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Credit Document unless it shall first receive such advice or concurrence of the Majority Lenders as it deems appropriate and/or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. Notwithstanding any provision in this Agreement to the contrary, the Administrative Agent and the Collateral Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the other Credit Documents in accordance with a request of the Majority Lenders, and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans; *provided* that the Administrative Agent and Collateral Agent shall not be required to take any action or refuse to take any action where, in its opinion or in the opinion of its counsel, the taking or refusal to take such action may expose it to liability or that is contrary to any Credit Document or applicable Requirements of Law. For purposes of determining compliance with the conditions specified in Section 6 and Section 7 on the Closing Date, each Lender that has signed this Agreement shall be deemed

to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

12.5 Notice of Default. Neither the Administrative Agent nor the Collateral Agent shall be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the Administrative Agent or Collateral Agent, as applicable, has received written notice from a Lender or the Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". In the event that the Administrative Agent receives such a notice, it shall give notice thereof to the Lenders and the Collateral Agent. The Administrative Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Majority Lenders; *provided* that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders except to the extent that this Agreement requires that such action be taken only with the approval or consent of the Majority Lenders, the Required Lenders, each individual lender or adversely affected Lender, as applicable.

12.6 Non-Reliance on Administrative Agent, Collateral Agent and Other Lenders. Each Lender expressly acknowledges that neither the Administrative Agent nor the Collateral Agent nor any of their respective Related Parties has made any representations or warranties to it and that no act by the Administrative Agent or Collateral Agent hereinafter taken, including any review of the affairs of the Borrower or any other Credit Party, shall be deemed to constitute any representation or warranty by the Administrative Agent or Collateral Agent or their respective Related Parties to any Lender or any Issuing Bank. Each Lender and each Issuing Bank represents to the Administrative Agent and the Collateral Agent that it has, independently and without reliance upon the Administrative Agent, Collateral Agent, any other Lender or any of their respective Related Parties, and based on such documents and information as it has deemed appropriate, made its own appraisal of, and an investigation into, the business, operations, property, financial and other condition and creditworthiness of the Borrower and each other Credit Party and made its own decision to make its Loans hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon the Administrative Agent, Collateral Agent, any other Lender or any of their respective Related Parties, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Credit Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Borrower and any other Credit Party. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder, neither the Administrative Agent nor the Collateral Agent shall have any duty or responsibility to provide any Lender with any credit or other information concerning the business, assets, operations, properties, financial condition, prospects or creditworthiness of the Borrower or any other Credit Party that may come into the possession of the Administrative Agent or Collateral Agent or any of their respective Related Parties.

12.7 Indemnification. The Lenders severally agree to indemnify the Administrative Agent and the Collateral Agent and their respective Related Parties, each in its capacity as such (to the extent not reimbursed by the Guarantors and without limiting the obligation of the Guarantors to do so), ratably according to their respective portions of the Commitments or Loans, as applicable, outstanding in effect on the date on which indemnification is sought (or, if indemnification is sought after Payment in Full, ratably in accordance with their respective portions of the Total Exposure in effect immediately prior to such date on which Payment in Full occurred), from and against any and all Indemnified Liabilities; *provided* that no Lender shall be liable to the Administrative Agent or the Collateral Agent or their respective Related Parties

for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Administrative Agent's or the Collateral Agent's or Related Party's, as applicable, gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction; *provided*, *further*, that no action taken in accordance with the directions of the Majority Lenders (or such other number or percentage of the Lenders as shall be required by the Credit Documents) shall be deemed to constitute gross negligence or willful misconduct for purposes of this Section 12.7. In the case of any investigation, litigation or proceeding giving rise to any liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time occur (including at any time following the payment of the Loans), this Section 12.7 applies whether any such investigation, litigation or proceeding is brought by any Lender or any other Person. Without limitation of the foregoing, each Lender shall reimburse the Administrative Agent and the Collateral Agent upon demand for its ratable share of any costs or out-of-pocket expenses (including Attorney Costs) incurred by such Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice rendered in respect of rights or responsibilities under, this Agreement, any other Credit Document, or any document contemplated by or referred to herein, to the extent that such Agent is not reimbursed for such expenses by or on behalf of the Borrower; *provided* that such reimbursement by the Lenders shall not affect the Borrower's or the other Guarantors' continuing reimbursement obligations with respect thereto. If any indemnity furnished to any Agent for any purpose shall, in the opinion of such Agent, be insufficient or become impaired, such Agent may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished; *provided*, in no event shall this sentence require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement in excess of such Lender's pro rata portion thereof; and *provided, further*, this sentence shall not be deemed to require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement resulting from such Agent's gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction. The agreements in this Section 12.7 shall survive the payment of the Loans and all other amounts payable hereunder. . This Section 12.7 shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim

12.8 Agents in Its Individual Capacities. Each Agent and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with the Borrower and any other Credit Party as though such Agent were not an Agent hereunder and under the other Credit Documents. With respect to the Loans made by it, each Agent shall have the same rights and powers under this Agreement and the other Credit Documents as any Lender and may exercise the same as though it were not an Agent, and the terms "Lender" and "Lenders" shall include each Agent in its individual capacity.

12.9 Successor Agents. Each of the Administrative Agent and Collateral Agent may at any time give notice of its resignation to the Lenders, the Issuing Banks and the Borrower. If the Administrative Agent and/or Collateral Agent becomes a Defaulting Lender, then such Administrative Agent or Collateral Agent, may be removed as Administrative Agent or Collateral Agent, as the case may be, at the reasonable request of the Borrower upon ten (10) days' notice to the Lenders. Upon receipt of any such notice of resignation or removal, as the case may be, the Majority Lenders shall have the right, subject to the consent of the Borrower (not to be unreasonably withheld or delayed) so long as no Default under Section 11.1 or 11.5 is continuing, to appoint a successor, which shall be a bank with an office in New York. If, in the case of a resignation of a retiring Agent, no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within thirty (30) days after the retiring Agent gives notice of its resignation, then the retiring Agent may on behalf of the Lenders and the Issuing Banks, appoint a successor Agent meeting the qualifications set forth above (*provided* that if the Administrative Agent shall notify the Borrower and the Lenders that no qualifying Person has accepted such appointment, then such resignation

shall nonetheless become effective in accordance with such notice and (a) the retiring Agent shall be discharged from its duties and obligations hereunder and under the other Credit Documents (except that in the case of any collateral security held by such Agent on behalf of the Lenders or Issuing Banks under and Credit Documents, the retiring Agent shall continue to hold such collateral security until such time as a successor Agent is appointed) and (b) all payments, communications and determinations provided to be made by, to or through the retiring Agent shall instead be made by or to each Lender and Issuing Bank directly, until such time as the Majority Lenders appoint a successor Agent as provided for above in this Section 12.9). Upon the acceptance of a successor's appointment as the Administrative Agent or Collateral Agent, as the case may be, hereunder, and upon the execution and filing or recording of such financing statements, or amendments thereto, and such other instruments or notices, as may be necessary or desirable, or as the Majority Lenders may request, in order to continue the perfection of the Liens granted or purported to be granted by the Security Documents, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Agent, and the retiring Agent shall be discharged from all of its duties and obligations hereunder or under the other Credit Documents (if not already discharged therefrom as provided above in this Section 12.9). After the retiring Agent's resignation hereunder and under the other Credit Documents, the provisions of this Section 12 (including Section 12.7) and Section 13.5 shall continue in effect for the benefit of such retiring Agent, its Subagents and their respective Agent-Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Agent was acting as an Agent.

Any resignation of any Person as Administrative Agent pursuant to this Section 12.9 shall also constitute its resignation as Issuing Bank. Upon the acceptance of a successor's appointment as Administrative Agent hereunder (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Issuing Bank, (b) the retiring Issuing Bank shall be discharged from all of its duties and obligations hereunder and under the other Credit Documents, and (c) the successor Issuing Bank shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring Issuing Bank to effectively assume the obligations of the retiring Issuing Bank with respect to such Letters of Credit.

12.10 [Reserved].

12.11 Security Documents and Collateral Agent under Security Documents and Guarantee. Each Secured Party hereby further authorizes the Administrative Agent or Collateral Agent, as applicable, on behalf of and for the benefit of Secured Parties, to be the agent for and representative of the Secured Parties with respect to the Collateral and the Security Documents. Subject to Section 13.1, without further written consent or authorization from any Secured Party, the Administrative Agent or Collateral Agent, as applicable, may take such action and execute and deliver any such instruments, documents and agreements necessary or desirable to evidence and confirm the release of any Guarantor or Collateral pursuant to Section 13.17. The Lenders and the Issuing Banks (including in their capacities as potential Cash Management Banks and potential Hedge Banks) irrevocably agree that (x) the Collateral Agent is authorized and the Collateral Agent agrees it shall (for the benefit of Borrower), without any further consent of any Lender, enter into or amend any Junior Lien Intercreditor Agreement with the collateral agent or other representatives of the holders of Indebtedness that is permitted to be secured by a Lien on the Collateral that is permitted under this Agreement, in each case for the purpose of adding the holders of such Indebtedness (or their representative) as a party thereto and otherwise causing such Indebtedness to be subject thereto (it being understood that any such amendment, amendment and restatement or supplement may make such other changes to the applicable intercreditor agreement as, in the good faith determination of the Administrative Agent, are required to effectuate the foregoing and with any material modifications to be reasonably satisfactory to the Administrative Agent), (y) the Collateral Agent may rely exclusively on a certificate of an Authorized Officer of the Borrower as to whether any such other Liens are permitted

and (z) any Junior Lien Intercreditor Agreement referred to in clause (x) above, entered into by the Collateral Agent, shall be binding on the Secured Parties. Furthermore, the Lenders and the Issuing Banks (including in their capacities as potential Cash Management Bank and potential Hedge Banks) hereby authorize the Administrative Agent and the Collateral Agent to subordinate any Lien on any property granted to or held by the Administrative Agent or Collateral Agent under any Credit Document to the holder of any Lien on such property that is permitted by clause (j) of the definition of "Permitted Liens" and clauses (c), (i), (n), (o), (q), (u) and (x) of Section 10.2; *provided* that prior to any such request, the Borrower shall have in each case delivered to the Administrative Agent a certificate of an Authorized Officer of the Borrower certifying that such subordination is permitted under this Agreement.

12.12 Right to Realize on Collateral and Enforce Guarantee. Anything contained in any of the Credit Documents to the contrary notwithstanding, the Borrower, the Agents and each Secured Party hereby agree that (a) no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce the Guarantee, it being understood and agreed that all powers, rights and remedies hereunder may be exercised solely by the Administrative Agent, on behalf of the Secured Parties in accordance with the terms hereof and all powers, rights and remedies under the Security Documents may be exercised solely by the Collateral Agent, and (b) in the event of a foreclosure by the Collateral Agent on any of the Collateral pursuant to a public or private sale or other disposition, the Collateral Agent or any Lender may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition and the Collateral Agent, as agent for and representative of the Secured Parties (but not any Lender or Lenders in its or their respective individual capacities unless the Majority Lenders shall otherwise agree in writing) shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by the Collateral Agent at such sale or other disposition.

12.13 Administrative Agent May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding, constituting an Event of Default under Section 11.5, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid hereunder or under any other Credit Document in respect of the Loans and all other Indebtedness that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective Related Parties, to the extent due under Section 13.5) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its Related Parties, to the extent due under Section 13.5.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Indebtedness or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

12.14 Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and the Collateral Agent, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Credit Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments, or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of the Administrative Agent and the Collateral Agent, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Credit Party, that neither the Administrative Agent nor the Collateral Agent is a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the

Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Credit Document or any documents related hereto or thereto).

12.15 Credit Bidding. The Secured Parties hereby irrevocably authorize the Administrative Agent, at the direction of the Majority Lenders, to credit bid all or any portion of the Obligations (including by accepting some or all of the Collateral in satisfaction of some or all of the Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (a) at any sale thereof conducted under the provisions of the Bankruptcy Code, including under Sections 363, 1123 or 1129 of the Bankruptcy Code, or any similar laws in any other jurisdictions to which a Credit Party is subject, or (b) at any other sale, foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with any applicable law. In connection with any such credit bid and purchase, the Obligations owed to the Secured Parties shall be entitled to be credit bid by the Administrative Agent at the direction of the Majority Lenders on a ratable basis (with Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that shall vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) for the asset or assets so purchased (or for the equity interests or debt instruments of the acquisition vehicle or vehicles that are issued in connection with such purchase). In connection with any such bid (i) the Administrative Agent shall be authorized to form one or more acquisition vehicles and to assign any successful credit bid to such acquisition vehicle or vehicles, (ii) each of the Secured Parties' ratable interests in the Obligations which were credit bid shall be deemed without any further action under this Agreement to be assigned to such vehicle or vehicles for the purpose of closing such sale, (iii) the Administrative Agent shall be authorized to adopt documents providing for the governance of the acquisition vehicle or vehicles (provided that any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any Disposition of the assets or equity interests thereof, shall be governed, directly or indirectly, by, and the governing documents shall provide for, control by the vote of the Majority Lenders or their permitted assignees under the terms of this Agreement or the governing documents of the applicable acquisition vehicle or vehicles, as the case may be, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Majority Lenders contained in Section 13.1 of this Agreement), (iv) the Administrative Agent on behalf of such acquisition vehicle or vehicles shall be authorized to issue to each of the Secured Parties, ratably on account of the relevant Obligations which were credit bid, interests, whether as equity, partnership, limited partnership interests or membership interests, in any such acquisition vehicle and/or debt instruments issued by such acquisition vehicle, all without the need for any Secured Party or acquisition vehicle to take any further action, and (v) to the extent that Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason, such Obligations shall automatically be reassigned to the Secured Parties pro rata and the equity interests and/or debt instruments issued by any acquisition vehicle on account of such Obligations shall automatically be cancelled, without the need for any Secured Party or any acquisition vehicle to take any further action. Notwithstanding that the ratable portion of the Obligations of each Secured Party are deemed assigned to the acquisition vehicle or vehicles as set forth in Section 12.15(ii) above, each Secured Party shall execute such documents and provide such information regarding the Secured Party (and/or any designee of the Secured Party which will receive interests in or debt instruments issued by such acquisition vehicle) as the Administrative Agent may reasonably request in connection with the formation of any acquisition vehicle, the formulation or submission of any credit bid or the consummation of the transactions contemplated by such credit bid.

SECTION 13. MISCELLANEOUS.

13.1 Amendments, Waivers and Releases.

(a) Except as expressly set forth in this Agreement, neither this Agreement nor any other Credit Document, nor any terms hereof or thereof, may be amended, supplemented or modified except in accordance with the provisions of this Section 13.1. The Majority Lenders may, or, with the written consent of the Majority Lenders, the Administrative Agent and/or the Collateral Agent shall, from time to time, (a) enter into with the relevant Credit Party or Credit Parties written amendments, supplements or modifications hereto and to the other Credit Documents for the purpose of adding any provisions to this Agreement or the other Credit Documents or changing in any manner the rights of the Lenders or of the Credit Parties hereunder or thereunder or (b) waive in writing, on such terms and conditions as the Majority Lenders or the Administrative Agent and/or Collateral Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Credit Documents or any Default or Event of Default and its consequences; *provided*, *however*, that each such waiver and each such amendment, supplement or modification shall be effective only in the specific instance and for the specific purpose for which given; *provided*, *further*, that no such waiver and no such amendment, supplement or modification shall (i) forgive or reduce any portion of any Loan or reduce the stated rate (it being understood that only the consent of the Majority Lenders shall be necessary to waive any obligation of the Borrower to pay interest at the Default Rate or amend Section 2.8(c)), or forgive or reduce any portion, or extend the date for the payment (including the Maturity Date), of any principal, interest or fee payable hereunder (other than as a result of waiving the applicability of any post-default increase in interest rates and any change due to a change in the Borrowing Base or Available Commitment), or extend the final expiration date of any Lender's Commitment (*provided* that (1) any Lender, upon the request of the Borrower, may extend the final expiration date of its Commitment in a manner that has no adverse impact on any other Lender without the consent of any other Lender, including the Majority Lenders, and (2) it is being understood that waivers or modifications of conditions precedent, covenants, Defaults or Events of Default shall not constitute an increase of the Commitments of any Lender) or extend the final expiration date of any Letter of Credit beyond the L/C Maturity Date, or increase the amount of the Commitment of any Lender (*provided* that, any Lender, upon the request of the Borrower, may increase the amount of its Commitment without the consent of any other Lender, including the Majority Lenders), or make any Loan, interest, fee or other amount payable in any currency other than Dollars, in each case without the written consent of each Lender directly and adversely affected thereby, or (ii) amend, modify or waive any provision of this Section 13.1 in a manner that would reduce the voting rights of any Lender, or reduce the percentages specified in the definitions of the terms "Majority Lenders" or "Required Lenders", consent to the assignment or transfer by the Borrower of its rights and obligations under any Credit Document to which it is a party (except as permitted pursuant to Section 10.3), in each case without the written consent of each Lender, or (iii) amend the provisions of Section 11.12 or any analogous provision of any Security Document, in a manner that would by its terms alter the order of payment specified therein or the pro rata sharing of payments required thereby, without the prior written consent of each Lender, or (iv) amend, modify or waive any provision of Section 12 without the written consent of the then-current Administrative Agent and Collateral Agent, as applicable, or any other former or current Agent to whom Section 12 then applies in a manner that directly and adversely affects such Person, or (v) amend, modify or waive any provision of Section 3 with respect to any Letter of Credit without the written consent of each Issuing Bank to whom Section 3 then applies, or (vi) amend the definitions of the terms "Approved Counterparty", "Hedge Bank", "Obligations", "Secured Hedge Agreement", or "Secured Parties" or Section 12.11, in each case, without the prior consent each Lender or (vii) release all or substantially all of the aggregate value of the Guarantees without the prior written consent of each Lender, or (viii) release all or substantially all of the Collateral under the Security Documents without the prior written consent of each Lender, or (ix) amend Section 2.9 so as to permit Interest Period intervals greater than six (6) months without regard to availability to Lenders, without the written consent of each Lender directly and adversely affected thereby, or (x) increase the Borrowing Base

or waive a condition in or modify in any manner adverse to a Lender in Section 6.2 without the written consent of each Lender (subject to Section 13.1(b) in the case of a Defaulting Lender) or decrease or maintain the Borrowing Base without the written consent of the Required Lenders or otherwise modify Section 2.14(b), (c), (d), (e), (f) or (g) if such modification would have the effect of increasing the Borrowing Base without the written consent of each Lender (other than Defaulting Lenders); *provided* that a Scheduled Redetermination may be postponed by, and an automatic reduction in the Borrowing Base may be waived by, the Required Lenders; *provided*, *further*, that this clause (x) shall not apply (or be deemed to apply) to any waiver, consent, amendment or other modification that directly or indirectly reduces the amount of, or waives the implementation of, any provision that would otherwise reduce the Borrowing Base, or (xi) affect the rights or duties of, or any fees or other amounts payable to, any Agent under this Agreement or any other Credit Document without the prior written consent of such Agent or (xii) amend the provisions of Section 2.14(j) without the prior written consent of each Lender. Any such waiver and any such amendment, supplement or modification shall apply equally to each of the affected Lenders and shall be binding upon the Borrower, such Lenders, the Administrative Agent and all future holders of the affected Loans. In the case of any waiver, the Borrower, the Lenders and the Administrative Agent shall be restored to their former positions and rights hereunder and under the other Credit Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing; it being understood that no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon. In connection with the foregoing provisions, the Administrative Agent may, but shall have no obligations to, with the concurrence of any Lender, execute amendments, modifications, waivers or consents on behalf of such Lender whose consent is required hereunder.

(b) Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that the Commitment of such Defaulting Lender may not be increased or extended without the consent of such Defaulting Lender and no such amendment, waiver or consent shall disproportionately adversely affect such Defaulting Lender without its consent as compared to other Lenders (it being understood that any Commitments or Loans held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of the Lenders).

(c) Without the consent of any Lender or Issuing Bank, the Credit Parties and the Administrative Agent or Collateral Agent may (in their respective sole discretion, or shall, to the extent required by any Credit Document) enter into any amendment, modification or waiver of any Credit Document, or enter into any new agreement or instrument, to effect the granting, perfection, protection, expansion or enhancement of any security interest in any Collateral or additional property to become Collateral for the benefit of the Secured Parties, or as required by local law to give effect to, or protect any security interest for the benefit of the Secured Parties, in any property or so that the security interests therein comply with applicable law or this Agreement or in each case to otherwise enhance the rights or benefits of any Lender under any Credit Document.

(d) Notwithstanding anything to the contrary herein, no Lender consent is required to effect any amendment, modification or supplement to any Junior Lien Intercreditor Agreement, any subordination agreement or other intercreditor agreement or arrangement permitted under this Agreement or in any document pertaining to any Indebtedness permitted hereby that is permitted to be secured by the Collateral (i) that is for the purpose of adding the holders of such secured or subordinated Indebtedness permitted to be incurred under this Agreement (or, in each case, a representative with respect thereto), as parties thereto, as expressly contemplated by the terms of such Junior Lien Intercreditor Agreement, such subordination agreement or such other intercreditor agreement or arrangement permitted under this Agreement, as applicable (it being understood that any such amendment or supplement may make such other changes to

the applicable intercreditor agreement as, in the good faith determination of the Administrative Agent, are required to effectuate the foregoing and *provided* that such other changes are not adverse, in any material respect (taken as a whole), to the interests of the Lenders) or (ii) that is expressly contemplated by any Junior Lien Intercreditor Agreement, any subordination agreement or other intercreditor agreement or arrangement permitted under this Agreement or in any document pertaining to any Indebtedness permitted hereby that is permitted to be secured by the Collateral or (iii) otherwise, with respect to any material amendments, modifications or supplements, to the extent such amendment, modification or supplement is reasonably satisfactory to the Administrative Agent and *provided* that such other changes are not adverse, in any material respect (taken as a whole), to the interests of the Lenders; *provided*, *further*, that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent or Collateral Agent hereunder or under any other Credit Document without the prior written consent of the Administrative Agent or Collateral Agent, as applicable.

(e) The Administrative Agent may, without the consent of any Lender, enter into amendments or modifications to this Agreement or any of the other Credit Documents or to enter into additional Credit Documents as the Administrative Agent reasonably deems appropriate in order to implement any Benchmark Replacement or any Benchmark Replacement Conforming Changes or otherwise effectuate the terms of Section 2.10(d) in accordance with the terms of Section 2.10(d).

(f) Notwithstanding the foregoing, technical and conforming modifications to the Credit Documents (including any exhibit, schedule or other attachment) may be made with the consent of the Borrower and the Administrative Agent (i) if such modifications are not adverse in any material respect to the Lenders or the Issuing Banks (in which case, the consent of the Issuing Banks shall be required) or (ii) to the extent necessary to cure any ambiguity, omission, mistake, defect or inconsistency so long as the Lenders and the Issuing Banks shall have received at least five (5) Business Days' prior written notice thereof and the Administrative Agent shall not have received, within five (5) Business Days of the date of such notice to the Lenders, a written notice from the Majority Lenders stating that the Majority Lenders object to such amendment.

13.2 Notices. Unless otherwise expressly provided herein, all notices and other communications provided for hereunder or under any other Credit Document shall be in writing (including by facsimile transmission). All such written notices shall be mailed, faxed or delivered to the applicable address, facsimile number or electronic mail address, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(a) if to the Borrower, the Administrative Agent, the Collateral Agent or any Issuing Bank, to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 13.2 or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to the other parties; and

(b) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to the Borrower, the Administrative Agent, the Collateral Agent and the Issuing Banks.

All such notices and other communications shall be deemed to be given or made upon the earlier to occur of (i) actual receipt by the relevant party hereto and (ii)(A) if delivered by hand or by courier, when signed for by or on behalf of the relevant party hereto; (B) if delivered by mail, three (3) Business Days after deposit in the mails, postage prepaid; (C) if delivered by facsimile, when sent and receipt has been confirmed by telephone; and (D) if delivered by electronic mail, when delivered; *provided* that notices and

other communications to the Administrative Agent or the Lenders pursuant to Sections 2.3, 2.6, 2.9 and 5.1 shall not be effective until received.

13.3 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Administrative Agent, the Collateral Agent or any Lender, any right, remedy, power or privilege hereunder or under the other Credit Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by Requirements of Law.

13.4 Survival of Representations and Warranties. All representations and warranties made hereunder, in the other Credit Documents and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the making of the Loans hereunder. Such representations and warranties shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied (other than contingent indemnification obligations not then due and payable).

13.5 Payment of Expenses; Indemnification.

(a) The Borrower agrees (i) to pay or reimburse the Administrative Agent and the other Agents and the Arrangers for all reasonable and documented out-of-pocket costs and expenses incurred in connection with the preparation, negotiation, syndication and execution of this Agreement and the other Credit Documents, and any amendment, waiver, consent or other modification of the provisions hereof and thereof (whether or not the transactions contemplated thereby are consummated), and the consummation and administration (including all reasonable and documented costs, expenses, taxes, assessments and other charges incurred by the Administrative Agent, Collateral Agent or any Lender in connection with any filing, registration, recording or perfection of any security interest contemplated by this Agreement or any Security Document or any other document referred to therein or conducting of title reviews, mortgage matches and collateral reviews) of the transactions contemplated hereby and thereby, including all Attorney Costs, which shall be limited to Latham & Watkins LLP and one local counsel as reasonably necessary in any relevant jurisdiction material to the interests of the Lenders taken as a whole and one regulatory counsel to all such Persons as reasonably necessary with respect to a relevant regulatory matter, taken as a whole, (and solely in the case of an actual conflict of interest, one additional counsel and (if reasonably necessary) one local counsel and one regulatory counsel in each relevant jurisdiction to the affected Indemnitees similarly situated) and (ii) to pay or reimburse the Administrative Agent, Collateral Agent, the Issuing Banks and each Lender for all reasonable and documented out-of-pocket costs and expenses incurred in connection with the enforcement of any rights or remedies under this Agreement or the other Credit Documents (including all such costs and expenses incurred during any legal proceeding, including any bankruptcy or insolvency proceeding, and including all respective Attorney Costs). The agreements in this Section 13.5 shall survive the repayment of all other Obligations. All amounts due under this Section 13.5 shall be paid within thirty (30) days after written demand therefor (together with backup documentation supporting such reimbursement request). If any Credit Party fails to pay when due any costs, expenses or other amounts payable by it hereunder or under any Credit Document, such amount may be paid on behalf of such Credit Party by the Administrative Agent in its discretion.

(b) The Borrower shall indemnify and hold harmless each Agent, Lender, Issuing Bank, Arranger, Agent-Related Party and their Affiliates, and their respective Related Parties (collectively the "Indemnitees") from and against any and all liabilities, losses, damages, claims, or out-of-pocket expenses (including Attorney Costs but limited in the case of legal fees and expenses to the reasonable and documented out-of-pocket fees, disbursements and other charges of one counsel to all Indemnitees taken

as a whole (and solely in the case of an actual conflict of interest, one additional counsel to the affected Indemnitees, taken as a whole) and (if reasonably necessary) one local counsel, in any relevant material jurisdiction) of any kind or nature whatsoever which may at any time be imposed on, incurred by or asserted against any such Indemnitee in any way relating to or arising out of or in connection with (i) the execution, delivery, enforcement, performance or administration of any Credit Document or any other agreement, letter or instrument delivered in connection with the transactions contemplated thereby or the consummation of the transactions contemplated thereby, (ii) any Commitment, Letter of Credit, or Loan or the use or proposed use of the proceeds therefrom (including any refusal by an Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) the violation of, noncompliance with or liability under, any applicable Environmental Law by the Credit Parties, any actual or alleged Environmental Claim regarding liability or obligation of or relating to the Credit Parties or any Subsidiary, or any actual or alleged presence, Release or Threatened Release of Hazardous Materials involving or relating to the operations of the Borrower, any of its Subsidiaries or any of the Oil and Gas Properties, including any Release or Threatened Release that occurs during any period when any Agent or Lender is in possession of any Oil and Gas Property to the extent not arising out of the action or omission of such Agent or Lender, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory (including any investigation of, preparation for, or defense of any pending or threatened claim, investigation, litigation or proceeding) (a "Proceeding") and regardless of whether any Indemnitee is a party thereto or whether or not such Proceeding is brought by the Borrower or any other Person and, in each case, whether or not caused by or arising, in whole or in part, out of the negligence of the Indemnitee (all of the foregoing, collectively, the "Indemnified Liabilities"); *provided* that such indemnity shall not, as to any Indemnitee, be available to the extent that such liabilities, losses, damages, claims or out-of-pocket expenses resulted from (x) the gross negligence or willful misconduct of such Indemnitee or of any of its Related Indemnified Persons, as determined by a final non-appealable judgment of a court of competent jurisdiction, (y) other than with respect to any Agent or Agent-Related Party and their Affiliates, a material breach of any obligations under any Credit Document by such Indemnitee or of any of its Related Indemnified Persons, as determined by a final non-appealable judgment of a court of competent jurisdiction or (z) any dispute solely among Indemnitees other than any claims against an Indemnitee in its capacity or in fulfilling its role as an administrative agent or collateral agent or arranger or any similar role under this Agreement and other than any claims arising out of any act or omission of the Borrower or any of its Affiliates (as determined in a final and non-appealable judgment of a court of competent jurisdiction). No Indemnitee shall be liable for any damages arising from the use by others of any information or other materials obtained through IntraLinks or other similar information transmission systems in connection with this Agreement (except for direct (as opposed to indirect, special, punitive or consequential) damages resulting from the gross negligence or willful misconduct, as determined by a court of competent jurisdiction in a final and non-appealable judgment, of such Indemnitee), nor shall any Indemnitee, Agent-Related Parties, Credit Party or any Subsidiary have any liability for any special, punitive, indirect or consequential damages relating to this Agreement or any other Credit Document or arising out of its activities in connection herewith or therewith (whether before or after the Closing Date) (other than, in the case of any Credit Party, in respect of any such damages incurred or paid by an Indemnitee to a third party, or which are included in a third-party claim, for which the Borrower is required to indemnify such Indemnitee pursuant to this Section 13.5(b), and for any out-of-pocket expenses related thereto). In the case of an investigation, litigation or other Proceeding to which the indemnity in this Section 13.5 applies, such indemnity shall be effective whether or not such investigation, litigation or Proceeding is brought by any Credit Party, any Subsidiary of any Credit Party, its directors, stockholders or creditors or an Indemnitee or any other Person, whether or not any Indemnitee is otherwise a party thereto and whether or not any of the transactions contemplated hereunder or under any of the other Credit Documents are consummated. All amounts due under this Section 13.5 shall be paid within thirty (30) days after written demand therefor (together with backup documentation supporting such reimbursement request); *provided*, *however*, that such Indemnitee shall

promptly refund such amount to the extent that there is a final judicial determination that such Indemnitee was not entitled to indemnification rights with respect to such payment pursuant to the express terms of this Section 13.5. The agreements in this Section 13.5 shall survive the resignation of the Administrative Agent, the Collateral Agent or Issuing Bank, the replacement of any of the foregoing or any Lender and the repayment, satisfaction or discharge of all the other Obligations. For the avoidance of doubt, this Section 13.5(b) shall not apply to Taxes, except any Taxes that represent liabilities, obligations, losses, damages, penalties, claims, demands, actions, prepayments, suits, costs, expenses and disbursements arising from any non-Tax claims.

13.6 Successors and Assigns; Participations and Assignments.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any Affiliate of each Issuing Bank that issues any Letter of Credit), except that (i) except as expressly permitted by Section 10.3, the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer any of its rights or obligations hereunder except in accordance with this Section 13.6. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of each Issuing Bank that issues any Letter of Credit), Participants (to the extent provided in clause (c) of this Section 13.6) and, to the extent expressly contemplated hereby, the Agent-Related Parties and each other Person entitled to indemnification under Section 13.5) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in Section 13.6(b)(ii) below, any Lender may at any time assign to one or more assignees (other than the Borrower, its Subsidiaries and their respective Affiliates, any natural person, or any Defaulting Lender) all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans (including participations in L/C Obligations) at the time owing to it) with the prior written consent of:

(A) the Borrower (not to be unreasonably withheld or delayed); *provided* that no consent of the Borrower shall be required (x) for an assignment to an existing Lender and their Affiliates and (y) for an assignment if an Event of Default has occurred and is continuing; and

(B) the Administrative Agent and each Issuing Bank (in each case, not to be unreasonably withheld or delayed); *provided* that no consent of the Administrative Agent shall be required for an assignment to an existing Lender and their Affiliates.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than $5,000,000 or an integral multiple of $5,000,000, unless each of the Borrower, each Issuing Bank and the Administrative Agent otherwise consents (which consents shall not be unreasonably withheld or delayed); *provided* that no such consent of the Borrower shall be required if an Event of Default has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of $3,500; *provided* that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment and the Administrative Agent shall enter the relevant information in the Register pursuant to clause (b)(iv) of this Section 13.6; and

(D) the assignee, if it shall not be a Lender immediately prior to such assignment, shall deliver to the Administrative Agent an Administrative Questionnaire and applicable Tax forms (including those described in Section 5.4(f)).

(iii) Subject to acceptance and recording thereof pursuant to clause (b)(iv) of this Section 13.6, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.10, 2.11, 3.11, 5.4 and 13.5). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 13.6 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with clause (c) of this Section 13.6.

(iv) The Administrative Agent, acting solely for this purpose as a nonfiduciary agent of the Borrower, shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders (including any SPVs that provide all or any part of a Loan pursuant to Section 13.6(g) hereof), and the Maximum Credit Amount and Elected Commitment, and principal amount (and stated interest amounts) of the Loans and L/C Obligations and any payment made by each Issuing Bank under any applicable Letter of Credit owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). Further, the Register shall contain the name and address of the Administrative Agent and the lending office through which each such Person acts under this Agreement. The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent, the Collateral Agent, each Issuing Bank and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower, the Collateral Agent, each Issuing Bank and, solely with respect to itself, each other Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in clause (b) of this Section 13.6 (unless waived) and any written consent to such assignment required by clause (b) of this Section 13.6, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register.

(c) (i) Any Lender may, without the consent of the Borrower, the Administrative Agent or any Issuing Bank, sell participations to one or more banks or other entities other than any Defaulting Lender, the Borrower or any Subsidiary of the Borrower or their respective Affiliates or natural persons (each, a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans owing to it); *provided* that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the Borrower, the Administrative Agent, each Issuing Bank and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement or any other Credit Document; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in clause (i) or (ii) of the second proviso of the second sentence of Section 13.1(a) that affects such Participant, *provided* that the Participant shall have no right to consent to any modification to the percentages specified in the definitions of the terms "Majority Lenders" or "Required Lenders". Subject to clause (c)(ii) of this Section 13.6, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.10, 2.11, 3.11 and 5.4 to the same extent as if it were a Lender (subject to the limitations and requirements of those Sections and Sections 2.12 and 13.7) and had acquired its interest by assignment pursuant to clause (b) of this Section 13.6). To the extent permitted by Requirements of Law, each Participant also shall be entitled to the benefits of Section 13.8(b) as though it were a Lender; *provided* such Participant agrees to be subject to Section 13.8(a) as though it were a Lender.

(ii) A Participant shall not be entitled to receive any greater payment under Section 2.10, 2.11, 3.11 or 5.4 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent or except to the extent the entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation; *provided* that the Participant shall be subject to the provisions in Section 2.12 as if it were an assignee under clauses (a) and (b) of this Section 13.6. Each Lender that sells a participation shall, acting solely for this purpose as a nonfiduciary agent of the Borrower, maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest amounts) of each Participant's interest in the Loans or other obligations under this Agreement (the "Participant Register"). The entries in the Participant Register shall be conclusive, absent manifest error, and each party hereto shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. No Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Credit Document) except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) or Proposed Section 1.163-5(b) of the United States Treasury Regulations (or, in each case, any amended or successor version).

(d) Any Lender may, without the consent of the Borrower, any Issuing Bank or the Administrative Agent, at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or any central bank having jurisdiction over such Lender, and this Section 13.6 shall not apply to any such pledge or assignment of a security interest; *provided* that no such

pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto. In order to facilitate such pledge or assignment or for any other reason, the Borrower hereby agrees that, upon request of any Lender at any time and from time to time after the Borrower has made its initial borrowing hereunder, the Borrower shall provide to such Lender, at the Borrower's own expense, a promissory note, substantially in the form of Exhibit H evidencing the Loans owing to such Lender.

(e) Subject to Section 13.16, the Borrower authorizes each Lender to disclose to any Participant, secured creditor of such Lender or assignee (each, a "Transferee") and any prospective Transferee any and all Confidential Information and financial information in such Lender's possession concerning the Borrower and its Affiliates that has been delivered to such Lender by or on behalf of the Borrower and its Affiliates pursuant to this Agreement or that has been delivered to such Lender by or on behalf of the Borrower and its Affiliates in connection with such Lender's credit evaluation of the Borrower and its Affiliates prior to becoming a party to this Agreement.

(f) The words "execution," "signed," "signature," and words of like import in any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

(g) Notwithstanding anything to the contrary contained herein, any Lender (a "Granting Lender") may grant to a special purpose funding vehicle (a "SPV"), identified as such in writing from time to time by the Granting Lender to the Administrative Agent and the Borrower, the option to provide to the Borrower all or any part of any Loan that such Granting Lender would otherwise be obligated to make the Borrower pursuant to this Agreement; *provided* that (i) nothing herein shall constitute a commitment by any SPV to make any Loan and (ii) if an SPV elects not to exercise such option or otherwise fails to provide all or any part of such Loan, the Granting Lender shall be obligated to make such Loan pursuant to the terms hereof. The making of a Loan by an SPV hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were made by such Granting Lender. Each party hereto hereby agrees that no SPV shall be liable for any indemnity or similar payment obligation under this Agreement (all liability for which shall remain with the Granting Lender). In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior indebtedness of any SPV, it shall not institute against, or join any other person in instituting against, such SPV any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings under the laws of the United States or any state thereof. In addition, notwithstanding anything to the contrary contained in this Section 13.6, any SPV may (A) with notice to, but without the prior written consent of, the Borrower and the Administrative Agent and without paying any processing fee therefor, assign all or a portion of its interests in any Loans to the Granting Lender or to any financial institutions (consented to by the Borrower and Administrative Agent) providing liquidity and/or credit support to or for the account of such SPV to support the funding or maintenance of Loans and (B) disclose on a confidential basis any non-public information relating to its Loans to any rating agency, commercial paper dealer or provider of any surety, guarantee or credit or liquidity enhancement to such SPV. This Section 13.6(g) may not be amended without the written consent of the SPV. Notwithstanding anything to the contrary in this Agreement, subject to the following sentence, each SPV shall be entitled to the benefits of Sections 2.10, 2.11, 3.11 and 5.4 to the same extent as if it were a Lender (subject to the limitations and requirements of Sections 2.10, 2.11, 3.11 and 5.4 as though it were a Lender, and Sections 2.12 and 13.7), and had acquired its interest by assignment pursuant to clause (b) of this Section 13.6). Notwithstanding the prior sentence,

an SPV shall not be entitled to receive any greater payment under Section 2.10, 2.11, 3.11 or 5.4 than its Granting Lender would have been entitled to receive absent the grant to such SPV, unless such grant to such SPV is made with the Borrowers' prior written consent.

(h) Any request for consent of the Borrower pursuant to Section 13.6(b)(i)(A) and related communications, with respect to any request for consent in respect of any assignment relating to Commitments or Loans, shall be delivered by the Administrative Agent simultaneously to (A) any recipient that is an employee of the Borrower, as designated in writing to the Administrative Agent by the Borrower from time to time (if any) and (B) the chief financial officer of the Borrower or any other Authorized Officer designated by the Borrower in writing to the Administrative Agent from time to time.

13.7 Replacements of Lenders under Certain Circumstances.

(a) In the event that any Lender (i) requests reimbursement for amounts owing pursuant to Section 2.10, 3.11 or 5.4 (other than Section 5.4(b)), (ii) is affected in the manner described in Section 2.10(a)(ii) and as a result thereof any of the actions described in such Section is required to be taken or (iii) becomes a Defaulting Lender, the Borrower shall be entitled to replace such Lender; *provided* that, (A) such replacement does not conflict with any Requirement of Law, (B) the replacement bank or institution shall purchase, at par, all Loans and the Borrower shall pay all other amounts (other than any disputed amounts), pursuant to Section 2.10, 3.11 or 5.4, as the case may be owing to such replaced Lender prior to the date of replacement, (C) the replacement bank or institution, if not already a Lender, and the terms and conditions of such replacement, shall be reasonably satisfactory to the Administrative Agent and each Issuing Bank (except to the extent such Issuing Banks is, or is an Affiliate of, the Lender being replaced) and (D) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 13.6(b) (*provided* that the Borrower shall be obligated to pay the registration and processing fee referred to therein as long as the replacement Lender pays such fee).

(b) If any Lender (such Lender, a "Non-Consenting Lender") failed to consent to a proposed amendment, waiver, discharge or termination that pursuant to the terms of Section 13.1 requires the consent of all of the Lenders affected or the Required Lenders and with respect to which the Majority Lenders (or, in the case of a Lender becoming a Non-Consenting Lender due to its failure to consent to a proposed increase in the Borrowing Base, the Required Lenders) shall have granted their consent then the Borrower shall have the right (unless such Non-Consenting Lender grants such consent or approves such Proposed Borrowing Base and provided that no Event of Default shall have occurred and be continuing) to replace such Non-Consenting Lender by requiring such Non-Consenting Lender to assign its Loans and its Commitments hereunder to one or more assignees reasonably acceptable to the Administrative Agent and each Issuing Bank (except to the extent any such Issuing Bank is, or is an Affiliate of, the Lender being replaced); *provided* that, (i) all Obligations of the Borrower owing to such Non-Consenting Lender being replaced (other than principal and interest) shall be paid in full to such Non-Consenting Lender concurrently with such assignment, (ii) the replacement Lender shall purchase the foregoing by paying to such Non-Consenting Lender a price equal to the principal amount thereof plus accrued and unpaid interest thereon and (iii) the Borrower, the Administrative Agent and such Non-Consenting Lender shall otherwise comply with Section 13.6 (*provided* that the Borrower shall not be obligated to pay the registration and processing fee referred to therein as long as the replacement Lender pays such fee).

(c) Notwithstanding anything herein to the contrary, each party hereto agrees that any assignment pursuant to the terms of this Section 13.7 may be effected pursuant to an Assignment and Assumption executed by the Borrower, the Administrative Agent, each Issuing Bank and the assignee and that the Lender making such assignment need not be a party thereto.

(d) Any such Lender replacement or Commitment termination pursuant to this Section 13.7 shall not be deemed to be a waiver of any rights that the Borrower, the Administrative Agent or any other Lender shall have against the replaced Lender.

13.8 Adjustments; Set-off.

(a) If any Lender (a "Benefited Lender") shall at any time receive any payment in respect of any principal of or interest on all or part of the Loans made by it, or the participations in Letter of Credit Obligations held by it, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in Section 11.5, or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender entitled thereto, if any, in respect of such other Lender's Loans, or interest thereon, such Benefited Lender shall (i) notify the Administrative Agent of such fact, and (ii) purchase for cash at face value from the other Lenders a participating interest in such portion of each such other Lender's Loans, or shall provide such other Lenders with the benefits of any such collateral, or the proceeds thereof, as shall be necessary to cause such Benefited Lender to share the excess payment or benefits of such collateral or proceeds ratably in accordance with the aggregate principal of and accrued interest on their respective Loans and other amounts owing them; *provided*, *however*, that (A) if all or any portion of such excess payment or benefits is thereafter recovered from such Benefited Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest and (B) the provisions of this paragraph shall not be construed to apply to (1) any payment made by the Borrower or any other Guarantor pursuant to and in accordance with the terms of this Agreement and the other Credit Documents, (2) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans, Commitments or participations in Drawings to any assignee or participant or (3) any disproportionate payment obtained by a Lender as a result of the extension by Lenders of the maturity date or expiration date of some but not all Loans or Commitments or any increase in the Applicable Margin in respect of Loans or Commitments of Lenders that have consented to any such extension. Each Credit Party consents to the foregoing and agrees, to the extent it may effectively do so under Requirements of Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Credit Party rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Credit Party in the amount of such participation.

(b) After the occurrence and during the continuance of an Event of Default, in addition to any rights and remedies of the Lenders and Issuing Banks provided by Requirements of Law, each Lender, each Issuing Bank and their respective Affiliates, shall have the right, without prior notice to the Borrower, any such notice being expressly waived by the Borrower to the extent permitted by applicable Requirements of Law, upon any amount becoming due and payable by the Credit Parties hereunder or under any Credit Document (whether at the stated maturity, by acceleration or otherwise) to set-off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch or agency thereof to or for the credit or the account of the Borrower. Each Lender or Issuing Bank agrees promptly to notify the Borrower (and the Credit Parties, if applicable) and the Administrative Agent after any such set-off and application made by such Lender; *provided* that the failure to give such notice shall not affect the validity of such set-off and application.

13.9 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by facsimile or other electronic transmission, *i.e.* a "pdf" or a "tif"), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Agreement signed by all the parties shall be lodged with the Borrower and the Administrative Agent.

13.10 Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

13.11 Integration. This Agreement and the other Credit Documents represent the agreement of the Borrower, the Guarantors, the Grantors, the Collateral Agent, the Administrative Agent and the Lenders with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Borrower, the Guarantors, the Grantors, any Agent nor any Lender relative to subject matter hereof not expressly set forth or referred to herein or in the other Credit Documents.

13.12 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

13.13 Submission to Jurisdiction; Waivers. Each party hereto hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Credit Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the exclusive general jurisdiction of the courts of the State of New York and the courts of the United States of America for the Southern District of New York, in each case located in New York County, and appellate courts from any thereof; *provided* that nothing contained herein or in any other Credit Document will prevent any Lender, the Collateral Agent or the Administrative Agent from bringing any action to enforce any award or judgment or exercise any right under the Credit Documents or against any Collateral or any other property of any Credit Party in any other forum in which jurisdiction can be established;

(b) consents that any such action or proceeding shall be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such Person at its address set forth on Schedule 13.2 at such other address of which the Administrative Agent shall have been notified pursuant to Section 13.2;

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by Requirements of Law or shall limit the right to sue in any other jurisdiction;

(e) without limitation of Sections 12.7 and 13.5, waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section 13.13 any special, exemplary, punitive or consequential damages (other than, in the case of any Credit Party, in respect of any such damages incurred or paid by an Indemnitee to a third party, or which are included in a third-party claim, and for any out-of-pocket expenses related thereto); and

(f) agrees that a final judgment in any action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

13.14 Acknowledgments. The Borrower hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Credit Documents;

(b) (i) the credit facility provided for hereunder and any related arranging or other services in connection therewith (including in connection with any amendment, waiver or other modification hereof or of any other Credit Document) are an arm's-length commercial transaction between the Borrower and the other Credit Parties, on the one hand, and the Administrative Agent, the Lenders and the other Agents on the other hand, and the Borrower and the other Credit Parties are capable of evaluating and understanding and understand and accept the terms, risks and conditions of the transactions contemplated hereby and by the other Credit Documents (including any amendment, waiver or other modification hereof or thereof); (ii) in connection with the process leading to such transaction, each of the Administrative Agent, other Agents and the Lenders, is and has been acting solely as a principal and is not the financial advisor, agent or fiduciary for any of the Borrower, any other Credit Parties or any of their respective Affiliates, equity holders, creditors or employees or any other Person; (iii) neither the Administrative Agent, any other Agent, any Arranger, nor any Lender has assumed or will assume an advisory, agency or fiduciary responsibility in favor of the Borrower or any other Credit Party with respect to any of the transactions contemplated hereby or the process leading thereto, including with respect to any amendment, waiver or other modification hereof or of any other Credit Document (irrespective of whether the Administrative Agent or any other Agent, any Arranger, or any Lender has advised or is currently advising any of the Borrower, the other Credit Parties or their respective Affiliates on other matters) and none of the Administrative Agent, any Agent, any Arranger or any Lender has any obligation to any of the Borrower, the other Credit Parties or their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Credit Documents; (iv) the Administrative Agent and its Affiliates, each other Agent and each of its Affiliates and each Lender and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its respective Affiliates, and none of the Administrative Agent, any other Agent or any Lender has any obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship; and (v) none of the Administrative Agent, any Agent or any Lender has provided and none will provide any legal, accounting, regulatory or tax advice with respect to any of the transactions contemplated hereby (including any amendment, waiver or other modification hereof or of any other Credit Document) and the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate. The Borrower hereby waives and releases, to the fullest extent permitted by law, any claims that it may have against the Administrative Agent and each Agent with respect to any breach or alleged breach of agency or fiduciary duty; and

(c) no joint venture is created hereby or by the other Credit Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Borrower, on the one hand, and any Lender, on the other hand.

13.15 WAIVERS OF JURY TRIAL. THE BORROWER, EACH AGENT, EACH ISSUING BANK AND EACH LENDER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

13.16 Confidentiality. The Administrative Agent, each other Agent, any Issuing Bank and each other Lender shall hold all information not marked as "public information" and furnished by or on behalf of the Borrower or any of its Subsidiaries in connection with such Lender's evaluation of whether to become a Lender hereunder or obtained by such Lender, the Administrative Agent, any Issuing Bank or such other Agent pursuant to the requirements of this Agreement ("Confidential Information"), confidential in

accordance with its customary procedure for handling confidential information of this nature and in any event may make disclosure to any other Lender hereto and (a) to its Affiliates and its Affiliates' employees, legal counsel, independent auditors and other experts or agents (collectively, the "Representatives") who need to know such information in connection with the Transactions and are informed of the confidential nature of such information (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such information and instructed to keep such information confidential); (b) to the extent requested by any Governmental Authority or self-regulatory authority having jurisdiction over such Person; *provided* that unless prohibited by applicable Requirements of Law the Administrative Agent or such Lender, as applicable, agrees that it will notify the Borrower (without any liability for a failure to so notify the Borrower) as soon as practicable in the event of any such disclosure by such Person (other than at the request of a regulatory authority or examiner); (c) to the extent required by applicable Requirements of Law or regulations or by any subpoena or similar legal process; *provided*, that the Administrative Agent or such Lender, as applicable, agrees that it will notify the Borrower as soon as practicable in the event of any such disclosure by such Person (other than at the request of a regulatory authority or examiner) unless such notification is prohibited by law, rule or regulation; (d) subject to an agreement containing provisions at least as restrictive as those set forth in this Section 13.16 (or as may otherwise be reasonably acceptable to the Borrower), to any pledgee referred to in Section 13.6(d), counterparty to a Hedge Agreement, credit insurer, eligible assignee of or participant in, or any prospective eligible assignee of or participant in any of its rights or obligations under this Agreement pursuant to Section 13.6, *provided* that the disclosure of any such Confidential Information to any Lenders or eligible assignees or participants shall be made subject to the acknowledgement and acceptance by such Lender, eligible assignee or participant that such Confidential Information is being disseminated on a confidential basis (on substantially the terms set forth in this Section 13.16 or as otherwise reasonably acceptable to the Borrower) in accordance with the standard processes of the Administrative Agent or customary market standards for dissemination of such type of Confidential Information; (e) with the prior written consent of the Borrower; (f) to the extent such Confidential Information becomes public other than by reason of disclosure by such Person in breach of this Agreement; (g) to any rating agency when required by it (it being understood that, prior to any such disclosure, such rating agency shall undertake to preserve the confidentiality of any information relating to Credit Parties and their Subsidiaries received by it from such Lender) or to the CUSIP Service Bureau or any similar organization; or (h) to the extent such Confidential Information is independently developed by or was in the prior possession of the Administrative Agent, the Arrangers, such Lender or any of their respective Affiliates so long as not based on information obtained in a manner that would violate this Section 13.16; *provided* that in no event shall any Lender, the Administrative Agent, any Issuing Bank or any other Agent be obligated or required to return any materials furnished by the Borrower or any Subsidiary. In addition, each Lender, the Administrative Agent and each other Agent may provide Confidential Information to prospective Transferees or to any pledgee referred to in Section 13.6 or to prospective direct or indirect contractual counterparties in Hedge Agreements to be entered into in connection with Loans made hereunder as long as such Person is advised of and agrees to be bound by the provisions of this Section 13.16 or confidentiality provisions at least as restrictive as those set forth in the Section 13.16. "Information" means all information received from the Borrower relating to the Borrower or its business, other than any such information that is available to the Administrative Agent, any Issuing Bank or any Lender on a non-confidential basis prior to disclosure by the Borrower and other than information pertaining to this Agreement routinely provided by the arrangers to data service providers, including league table providers, that serve the lending industry.

Each Lender acknowledges that information furnished to it pursuant to this Agreement or the other Credit Documents may include material non-public information concerning the Borrower and its Affiliates and their related parties or their respective securities, and confirms that it has developed compliance procedures regarding the use of material non-public information and that it will handle such material non-public information in accordance with those procedures and applicable law, including federal and state securities laws.

All information, including requests for waivers and amendments, furnished by the Borrower or the Administrative Agent pursuant to, or in the course of administering, this Agreement or the other Credit Documents will be syndicate-level information, which may contain material non-public information about the Borrower and its Affiliates and their related parties or their respective securities. Accordingly, each Lender represents to the Borrower and the Administrative Agent that it has identified in its Administrative Questionnaire a credit contact who may receive information that may contain material non-public information in accordance with its compliance procedures and applicable law, including federal and state securities laws.

13.17 Release of Collateral and Guarantee Obligations.

(a) The Lenders hereby irrevocably agree that the Liens granted to the Collateral Agent by the Credit Parties on any Collateral shall be automatically released (i) in full, as set forth in clause (b) below, (ii) upon the Disposition of such Collateral (including as part of or in connection with any other Disposition permitted hereunder) to any Person other than another Credit Party, to the extent such Disposition is made in compliance with the terms of this Agreement and the Liens encumbering such Collateral and held by each other creditor party to any Junior Lien Intercreditor Agreement are required to be released pursuant to the relevant intercreditor agreement (and the Collateral Agent may rely conclusively on a certificate to that effect provided to it by any Credit Party upon its reasonable request without further inquiry), (iii) upon any Collateral becoming an Excluded Equity Interest, an Excluded Asset or becoming owned by an Excluded Subsidiary other than a Subsidiary Grantor, (iv) to the extent such Collateral is comprised of property leased to a Credit Party, upon termination or expiration of such lease, (v) if the release of such Lien is approved, authorized or ratified in writing by the Majority Lenders (or such other percentage of the Lenders whose consent may be required in accordance with Section 13.1), (vi) to the extent the property constituting such Collateral is owned by any Guarantor, upon the release of such Guarantor from its obligations under the Guarantee in accordance with the second succeeding sentence or Section 6.14 of the Guarantee and (vii) as required by the Collateral Agent to effect any Disposition of Collateral in connection with any exercise of remedies of the Collateral Agent pursuant to the Security Documents. Any such release shall not in any manner discharge, affect, or impair the Obligations or any Liens (other than those being released) upon (or obligations (other than those being released) of the Credit Parties in respect of) all interests retained by the Credit Parties, including the proceeds of any Disposition, all of which shall continue to constitute part of the Collateral except to the extent otherwise released in accordance with the provisions of the Credit Documents. Additionally, the Lenders hereby irrevocably agree that the Guarantors shall be released from the Guarantees upon consummation of any transaction permitted hereunder resulting in such Subsidiary ceasing to constitute a Restricted Subsidiary or otherwise becoming an Excluded Subsidiary. Any representation, warranty or covenant contained in any Credit Document relating to any such Collateral or Guarantor shall no longer be deemed to be repeated. In connection with any release hereunder, the Administrative Agent and Collateral Agent shall promptly take such action and execute any such documents as may be reasonably requested by the Borrower and at the Borrower's expense in connection with the release of any Liens created by any Credit Document in respect of such Subsidiary, property or asset.

(b) Notwithstanding anything to the contrary contained herein or any other Credit Document, when Payment in Full has occurred (subject to any contingent or indemnification obligations not then due and payable), upon request of the Borrower, the Administrative Agent and/or Collateral Agent, as applicable, shall (without notice to, or vote or consent of, any Secured Party) take such actions as shall be required to release its security interest in all Collateral, and to release all obligations under any Credit Document, whether or not on the date of such release there may be any contingent or indemnification obligations not then due and payable. Any such release of Obligations shall be deemed subject to the provision that such Obligations shall be reinstated if after such release any portion of any payment in respect of the Obligations guaranteed thereby shall be rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or any Grantor, or upon

or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any Grantor or any substantial part of its property, or otherwise, all as though such payment had not been made.

13.18 Patriot Act. The Agents and each Lender hereby notify the Borrower that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify and record information that identifies each Credit Party, which information includes the name and address of each Credit Party and other information that will allow such Agent and such Lender to identify each Credit Party in accordance with the Patriot Act.

13.19 Payments Set Aside. To the extent that any payment by or on behalf of the Borrower is made to any Agent or any Lender, or any Agent or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by such Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender severally agrees to pay to the Administrative Agent upon demand its applicable share of any amount so recovered from or repaid by any Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the applicable Overnight Rate from time to time in effect.

13.20 Reinstatement. This Agreement shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by the Administrative Agent or any other Secured Party upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any substantial part of its property, or otherwise, all as though such payments had not been made.

13.21 Disposition of Proceeds. The Security Documents contain an assignment by the Borrower and/or the Grantors unto and in favor of the Collateral Agent for the benefit of the Lenders of all of the Borrower's or each Grantor's interest in and to their as-extracted collateral in the form of production and all proceeds attributable thereto which may be produced from or allocated to the Mortgaged Property. The Security Documents further provide in general for the application of such proceeds to the satisfaction of the Obligations described therein and secured thereby. Notwithstanding the assignment contained in such Security Documents, until the occurrence of an Event of Default, (a) the Administrative Agent and the Lenders agree that they will neither notify the purchaser or purchasers of such production nor take any other action to cause such proceeds to be remitted to the Administrative Agent or the Lenders, but the Lenders will instead permit such proceeds to be paid to the Borrower and its Subsidiaries and (b) the Lenders hereby authorize the Administrative Agent to take such actions as may be necessary to cause such proceeds to be paid to the Borrower and/or such Subsidiaries.

13.22 Collateral Matters; Hedge Agreements. The benefit of the Security Documents and of the provisions of this Agreement relating to any Collateral securing the Obligations shall also extend to and be available on a pro rata basis pursuant to terms agreed upon in the Credit Documents to any Person (a) under any Secured Hedge Agreement, in each case, after giving effect to all netting arrangements relating to such Hedge Agreements or (b) under any Secured Cash Management Agreement. No Person shall have any voting rights under any Credit Document solely as a result of the existence of obligations owed to it under any such Secured Hedge Agreement or Secured Cash Management Agreement.

13.23 Agency of the Borrower for the Other Credit Parties. Each of the other Credit Parties hereby appoints the Borrower as its agent for all purposes relevant to this Agreement and the other Credit Documents, including the giving and receipt of notices and the execution and delivery of all documents, instruments and certificates contemplated herein and therein and all modifications hereto and thereto.

13.24 Acknowledgement and Consent to Bail-In of EEA Financial Institutions.

Notwithstanding anything to the contrary in any Credit Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Credit Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Credit Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

13.25 Acknowledgement Regarding Any Supported QFCs. To the extent that the Credit Documents provide support, through a guarantee or otherwise, for Hedge Agreements or any other agreement or instrument that is a QFC (such support "QFC Credit Support" and each such QFC a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Credit Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, default rights under the Credit Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against

such Covered Party are permitted to be exercised to no greater extent than such default rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Credit Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

[Signature Pages Follow.]

The parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

BORROWER: CALIFORNIA RESOURCES CORPORATION

By: /s/ Francisco Leon
Name: Francisco Leon
Title: Executive Vice President and Chief Financial Officer

ADMINISTRATIVE AGENT AND COLLATERAL AGENT: CITIBANK, N.A.
as Administrative Agent and Collateral Agent

By: /s/ Phil Ballard
Name: Phil Ballard
Title: Managing Director

[SIGNATURE PAGE TO CALIFORNIA RESOURCES CORPORATION CREDIT AGREEMENT]

LENDERS:

[*****]

[SIGNATURE PAGE TO CALIFORNIA RESOURCES CORPORATION CREDIT AGREEMENT]

EXHIBIT 10.2

Certain portions of this exhibit (indicated by "[*****]") have been omitted pursuant to Item 601(b)(10) of Regulation S-K.

Execution Version

CREDIT AGREEMENT

Dated as of October 27, 2020

among

CALIFORNIA RESOURCES CORPORATION
as the Borrower,

The Several Lenders
from Time to Time Parties Hereto,

and

ALTER DOMUS PRODUCTS CORP.,
as Administrative Agent and Collateral Agent

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CREDIT AGREEMENT, dated as of October 27, 2020, among California Resources Corporation, a Delaware corporation (the "Borrower"), the banks, financial institutions and other lending institutions from time to time parties as lenders hereto (each a "Lender" and, collectively, the "Lenders") and Alter Domus Products Corp., as administrative agent and collateral agent for the Lenders.

WHEREAS, reference is made to that certain Amended and Restated Restructuring Support Agreement, dated as of July 24, 2020, by and among the Borrower, certain subsidiaries of the Borrower, the Consenting 2016 Term Loan Lenders (as defined in the Restructuring Support Agreement) party thereto, the Consenting 2017 Term Loan Lenders (as defined in the Restructuring Support Agreement) party thereto, the Consenting Second Lien Noteholders (as defined in the Restructuring Support Agreement) party thereto and Ares (as defined in the Restructuring Support Agreement) (as amended, restated, amended and restated, supplemented or otherwise modified, the "Restructuring Support Agreement"). Pursuant to the Restructuring Support Agreement, the Borrower and the other parties thereto agreed to a restructuring of the Borrower and its Subsidiaries;

WHEREAS, in furtherance of the Restructuring Support Agreement, (a) on July 15, 2020, the Borrower and certain of its Subsidiaries (collectively, the "Debtors") filed voluntary petitions to commence cases (the "Chapter 11 Cases") under the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court") and (b) on July 23, 2020, the Borrower entered into that certain Senior Secured Superpriority Debtor-in-Possession Credit Agreement, among the Borrower, as borrower, certain subsidiaries of the Borrower, as guarantors, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent (the "Senior DIP Facility") and that certain Junior Secured Superpriority Debtor-in-Possession Credit Agreement, among the Borrower, as borrower, certain subsidiaries of the Borrower, as guarantors, the lenders party thereto and Alter Domus Products Corp., as administrative agent (the "Junior DIP Facility" and together with the Senior DIP Facility, the "DIP Facilities");

WHEREAS, in furtherance of the Restructuring Support Agreement, the Debtors filed the Joint Plan of Reorganization with the Bankruptcy Court on July 24, 2020 (as subsequently revised or otherwise modified, the "Chapter 11 Plan");

WHEREAS, on October 13, 2020, the Bankruptcy Court entered the Confirmation Order confirming the Chapter 11 Plan, which Confirmation Order *inter alia* authorized and approved the Debtors' entry into and performance under this Agreement;

WHEREAS, in connection with the foregoing, the Borrower has requested that the Lenders provide certain loans to the Borrower; and

WHEREAS, the Lenders are willing to make available to the Borrower such term loan facility upon the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, the parties hereto hereby agree as follows:

SECTION 1. DEFINITIONS.

1.1 Defined Terms.

As used herein, the following terms shall have the meanings specified below:

"ABR" shall mean for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Effective Rate plus ½ of 1.0%, (b) the Prime Rate in effect on such day and (c) the Adjusted LIBOR Rate for a one-month Interest Period on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1.0%; provided that, for the avoidance of doubt, the Adjusted LIBOR Rate for any day shall be based on the rate appearing on the applicable Bloomberg screen page (or on any successor or substitute page of such page) at approximately 11:00 a.m. London time on such day for a period equal to one month. Any change in the ABR due to a change in the Prime Rate, the Federal Funds Effective Rate or such Adjusted LIBOR Rate shall take effect at the opening of business on the day specified in the public announcement of such change in the Prime Rate, the Federal Funds Effective Rate or such Adjusted LIBOR Rate, respectively. If the ABR is being used as an alternate rate of interest pursuant to Section 2.10 (for the avoidance of doubt, only until any amendment has become effective pursuant to Section 2.10(d)), then the ABR shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above; provided that, if ABR shall be less than 2.00%, such rate shall be deemed to be 2.00% for purposes of this Agreement.

"ABR Loan" shall mean each Loan bearing interest based on the ABR.

"Acceptable Commodity Hedge Agreements" shall mean Hedge Agreements entered into with Approved Counterparties in respect of Hydrocarbons not for speculative purposes and in the form of swaps, costless collars or other commodity Hedge Agreements reasonably acceptable to the First Lien Exit Administrative Agent (or, if there is no outstanding First Lien Exit Facility, the Majority Lenders) so long as (a) at least 25% of the Specified Volumes to be hedged are hedged by instruments in the form of commodity swaps at the then prevailing Strip Price and (b) the Specified Volumes not hedged as described in clause (a) are hedged with instruments providing for a price floor equal to or greater than the lesser of (x) $40.00 for Brent crude and (y) then prevailing Strip Price for the applicable volumes. As used herein, "Specified Volumes" shall mean, with respect to any applicable period described in Section 9.18, 50% of the reasonably anticipated Hydrocarbon production in respect of crude oil from the Credit Parties' total Proved Developed Producing Reserves (as forecast based upon the applicable Reserve Report described in Section 9.18).

"Acceptable Security Interest" shall mean (i) with respect to Material Real Properties that are not subject to a Production Sharing Contract, a second priority, perfected Mortgage; provided that Liens which are permitted by the terms of Section 10.2 may exist and have whatever priority such Liens have at such time under applicable law and (ii) with respect to Oil and Gas Properties that are subject to a Production Sharing Contract, a second priority, perfected security interest in 100% of the Equity Interests of the Production Sharing Entity that is the direct owner of the Production Sharing Contract with respect to such Oil and Gas Properties; provided that such Production Sharing Entity is in compliance with Section 10.19.

"Adjusted LIBOR Rate" shall mean, with respect to any Borrowing of a LIBOR Loan for any Interest Period, an interest rate *per annum* equal to (a) the LIBOR Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate.

"Administrative Agent" shall mean Alter Domus Products Corp., as the administrative agent for the Lenders under this Agreement and the other Credit Documents, or any successor administrative agent appointed in accordance with the provisions of Section 12.9.

"Administrative Agent's Office" shall mean the Administrative Agent's address and, as appropriate, account as set forth on Schedule 13.2, or such other address or account as the Administrative Agent may from time to time notify in writing to the Borrower and the Lenders.

"Administrative Questionnaire" shall mean, for each Lender, an administrative questionnaire in a form approved by the Administrative Agent.

"Affected Financial Institution" shall mean (a) any EEA Financial Institution or (b) any UK Financial Institution.

"Affiliate" shall mean, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with such Person. A Person shall be deemed to control another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of Voting Equity, by contract or otherwise. "Controlling" and "controlled" shall have meanings correlative thereto.

"AFTAP" shall have the meaning provided in Section 8.10(c).

"Agent Fee Letter" shall mean the fee letter, dated as of the date hereof, between the Agents and the Borrower.

"Agents" shall mean the Administrative Agent and the Collateral Agent and "Agent" shall mean, individually, either the Administrative Agent or the Collateral Agent.

"Agreement" shall mean this Credit Agreement, as may be amended, restated, amended and restated, extended, replaced, exchanged, refinanced, supplemented or otherwise modified from time to time.

"All-in-Yield" shall mean, as to any Indebtedness, the effective yield applicable thereto calculated by the Borrower in a manner consistent with generally accepted financial practices, taking into account (a) interest rate margins, (b) interest rate floors, (c) any amendment to the relevant interest rate margins and interest rate floors prior to the applicable date of determination, (d) original issue discount and upfront or similar fees (based on an assumed four-year average life to maturity or lesser remaining average life to maturity) and (e) any amendment fee, consent fee or similar fee payable to the holder, but excluding (i) any arrangement, commitment, structuring and/or underwriting fee (regardless of whether any such fee is paid to or shared in whole or in part with any lender or holder) paid or payable to one or more arrangers (or their respective Affiliates) in their capacities as such in connection with such Indebtedness and (ii) any other fee that is not paid directly by the Borrower or any Subsidiary generally to all relevant lenders or holders ratably and any ticking and/or unused line fee.

"Annualized EBITDAX" shall mean, for the purposes of calculating the financial ratio set forth in Section 10.11(a) for each Test Period ending on or before September 30, 2021, the Borrower's actual Consolidated EBITDAX (without giving effect to any Cure Amount received by the Borrower pursuant to Section 11.14 during such Test Period) for such Test Period multiplied by the factor determined for such Test Period in accordance with the table below:

Test Period Ending	Factor
On or before March 31, 2021	4

June 30, 2021	2
September 30, 2021	4/3

"Applicable Margin" shall mean, for any day, (I) in the case of the Initial Loans, (a) prior to the date that is the second anniversary of the Closing Date, (i) with respect to any ABR Loan, either (X) 8.00% per annum of Cash Interest or (Y) 9.50% per annum of PIK Interest and (ii) with respect to any LIBOR Loan, either (X) 9.00% per annum of Cash Interest or (Y) 10.50% per annum of PIK Interest and (b) at any time on or following the date that is the second anniversary of the Closing Date, (i) 8.00% with respect to any ABR Loan and (ii) 9.00% with respect to any LIBOR Loan and (II) in the case of any Extended Loans, as set forth in the applicable Extension Amendment.

"Applicable Premium" shall have the meaning provided for in Section 5.1(c).

"Approved Bank" shall have the meaning assigned to such term in the definition of "Permitted Investments".

"Approved Counterparty" shall mean (a) any Hedge Bank (as defined in the First Lien Exit Credit Agreement) and (b) any Person whose long term senior unsecured debt rating is A-/A3 by S&P or Moody's (or their equivalent) or higher at the time of entering into any Hedge Agreement and whose Hedge Agreements remain unsecured and do not contain margin call rights.

"Approved Fund" shall mean any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Approved Petroleum Engineers" shall mean (a) Netherland, Sewell & Associates, Inc., (b) Ryder Scott Company, L.P., (c) DeGolyer and MacNaughton and (d) at the Borrower's option, any other independent petroleum engineers selected by the Borrower and reasonably acceptable to the First Lien Exit Administrative Agent (or, if there is no outstanding First Lien Exit Facility, the Majority Lenders).

"Assignment and Assumption" shall mean an assignment and assumption substantially in the form of Exhibit G or such other form as may be approved by the Administrative Agent.

"Attorney Costs" shall mean all reasonable and documented fees, expenses and disbursements of any law firm or other external legal counsel.

"Authorized Officer" shall mean as to any Person, the President, the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer, the Treasurer, the Assistant or Vice Treasurer, the Vice President-Finance, the General Counsel, any Senior Vice President, any Executive Vice President and any manager, managing member or general partner, in each case, of such Person, and any other senior officer designated as such in writing to the Administrative Agent by such Person. Any document delivered hereunder that is signed by an Authorized Officer shall be conclusively presumed to have been authorized by all necessary corporate, limited liability company, partnership and/or other action on the part of the Borrower or any other Credit Party and such Authorized Officer shall be conclusively presumed to have acted on behalf of such Person.

"Available Commitment" shall have the meaning provided in the First Lien Exit Credit Agreement.

"Available Tenor" shall mean, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 2.10(d)(iv).

"Bail-In Action" shall mean the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" shall mean (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"Bank Price Deck" shall mean the First Lien Exit Administrative Agent's most recent internal price deck on a forward curve basis for each of oil, natural gas and other Hydrocarbons, as applicable, furnished to the Borrower by the First Lien Exit Administrative Agent from time to time under and in accordance with the terms of the First Lien Exit Credit Agreement.

"Bankruptcy Code" shall have the meaning provided in Section 11.5.

"Bankruptcy Court" shall have the meaning provided in the recitals to this Agreement.

"Benchmark" shall mean, initially, USD LIBOR; provided that if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred with respect to USD LIBOR or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.10(d)(i).

"Benchmark Replacement" shall mean, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

(1) the sum of: (a) Term SOFR and (b) the related Benchmark Replacement Adjustment;

(2) the sum of: (a) Daily Simple SOFR and (b) the related Benchmark Replacement Adjustment;

(3) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for U.S. dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment;

provided that, in the case of clause (1), such Unadjusted Benchmark Replacement is displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion.

If the Benchmark Replacement as determined pursuant to clause (1), (2) or (3) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Credit Documents.

"Benchmark Replacement Adjustment" shall mean, with respect to any replacement of the then current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement:

(1) for purposes of clauses (1) and (2) of the definition of "Benchmark Replacement," the first alternative set forth in the order below that can be determined by the Administrative Agent: (a) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for the applicable Corresponding Tenor; (b) the spread adjustment (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that would apply to the fallback rate for a derivative transaction referencing the ISDA Definitions to be effective upon an index cessation event with respect to such Benchmark for the applicable Corresponding Tenor; and

(2) for purposes of clause (3) of the definition of "Benchmark Replacement," the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar denominated syndicated credit facilities; provided that, in the case of clause (1) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the Administrative Agent in its reasonable discretion.

"Benchmark Replacement Conforming Changes" shall mean, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "ABR," the definition of "Business Day," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, the formula for calculating any successor rates identified pursuant to the definition of "Benchmark Replacement", the formula, methodology or convention for applying the successor Floor to the successor Benchmark Replacement and other technical, administrative or operational matters) that the Administrative Agent decides (in consultation with the Borrower) may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides (in consultation with the Borrower) is

reasonably necessary in connection with the administration of this Agreement and the other Credit Documents).

"Benchmark Replacement Date" shall mean the earliest to occur of the following events with respect to the then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);

(b) in the case of clause (c) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein; or

(c) in the case of an Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Majority Lenders.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Event" shall mean the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Unavailability Period" shall mean the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (a) or (b) of that definition has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Credit Document in accordance with Section 2.10(d) and (y) ending at the time that a Benchmark Replacement has replaced the then- current Benchmark for all purposes hereunder and under any Credit Document in accordance with Section 2.10(d).

"Beneficial Ownership Certification" shall mean a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" shall mean 31 C.F.R. § 1010.230.

"Benefit Plan" shall mean any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"Benefited Lender" shall have the meaning provided in Section 13.8(a).

"Board" shall mean the Board of Governors of the Federal Reserve System of the United States of America (or any successor).

"Board of Directors" shall mean, as to any Person, the board of directors or other governing body of such Person, or if such Person is owned or managed by a single entity, the board of directors or other governing body of such entity.

"Borrower" shall have the meaning provided in the introductory paragraph hereto.

"Borrowing" shall mean the incurrence of one Type of Loan on a given date (or resulting from conversions on a given date) having, in the case of LIBOR Loans, the same Interest Period (provided that ABR Loans incurred pursuant to Section 2.10(b) shall be considered part of any related Borrowing of LIBOR Loans).

"Borrowing Base" shall mean, with respect to borrowings under the First Lien Exit Credit Agreement, the maximum amount in Dollars determined or re-determined by the lenders under the First Lien Exit Credit Agreement as the aggregate lending value to be ascribed to the Oil and Gas Properties of the Credit Parties against which such lenders are prepared to provide loans to the Credit Parties using their customary practices and standards for determining reserve-based borrowing base loans and which are generally applied to borrowers in the oil and gas business, as determined semi-annually during each year and/or on such other occasions as may be required therein.

"Borrowing Base Deficiency" shall have the meaning provided in the First Lien Exit Facility.

"Budget" shall have the meaning provided in Section 9.1(g).

"Building" shall have the meaning assigned to such term in the applicable Flood Insurance Regulation.

"Business Day" shall mean any day excluding Saturday, Sunday and any other day on which banking institutions in New York City or Los Angeles, California are authorized by law or other governmental actions to close, and, if such day relates to (a) any interest rate settings as to a LIBOR Loan, (b) any fundings, disbursements, settlements and payments in respect of any such LIBOR Loan, or (c) any other dealings pursuant to this Agreement in respect of any such LIBOR Loan, such day shall be a day on which dealings in deposits in Dollars are conducted by and between banks in the London interbank eurodollar market.

"Capitalized Lease" shall mean, as applied to any Person, any lease of any property (whether real, personal or mixed) by that Person as lessee that, in conformity with GAAP, is, or is required to be, accounted for as a capital lease on the balance sheet of that Person; provided that for all purposes hereunder the amount of obligations under any Capitalized Lease shall be the amount thereof accounted for as a liability on the balance sheet of such Person in accordance with GAAP; provided, further, that for purposes of calculations made pursuant to the terms of this Agreement, GAAP will be deemed to treat leases in a manner consistent with its treatment under generally accepted accounting principles as of January 1, 2018, notwithstanding any modifications or interpretative changes thereto that may occur. For the avoidance of doubt, any lease that would have been characterized as an operating lease in accordance with GAAP as of January 1, 2018 (whether or not such operating lease was in effect on such date) shall continue to be accounted for as an operating lease (and not as a Capitalized Lease) for purposes of this Agreement regardless of any change in GAAP following the Closing Date that would otherwise require such lease to be re-characterized (on a prospective or retroactive basis or otherwise) as a Capitalized Lease.

"Cash Interest" shall have the meaning provided in Section 2.8(g).

"Casualty Event" shall mean, with respect to any Collateral, (a) any damage to, destruction of, or other casualty or loss involving, any property or asset or (b) any seizure, condemnation, confiscation or taking under the power of eminent domain of, or any requisition of title or use of, or relating to, or any similar event in respect of, any property or asset.

"CFC" shall mean a "controlled foreign corporation" within the meaning of Section 957 of the Code.

"Change in Law" shall mean (a) the adoption of any law, treaty, order, policy, rule or regulation after the Closing Date, (b) any change in any law, treaty, order, policy, rule or regulation or in the interpretation, implementation or application thereof by any Governmental Authority after the Closing Date or (c) compliance by any Lender with any guideline, request, directive or order enacted or promulgated after the Closing Date by any central bank or other governmental or quasi-governmental authority (whether or not having the force of law); provided that notwithstanding anything herein to the contrary, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) and all guidelines, requests, directives, orders, rules and regulations adopted, enacted or promulgated in connection therewith shall be deemed to have gone into effect after the Closing Date regardless of the date adopted, enacted or promulgated and shall be included as a Change in Law but solely for such costs that would have been included if they would have otherwise been imposed under clauses (a)(ii) and (c) of Section 2.10 and only to the extent a Lender is imposing applicable increased costs or costs in connection with capital adequacy requirements similar to those described in clauses (a)(ii) and (c) of Section 2.10 generally on other borrowers of comparable loans

under United States reserve based credit facilities under credit agreements having similar reimbursement provisions.

"Change of Control" shall mean and be deemed to have occurred if:

(a) any person or "group" (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Closing Date) shall have acquired beneficial ownership of more than 35%, on a fully diluted basis, of the Voting Equity in the Borrower; or

(b) a "change of control" (or any other defined term describing a similar event or having a similar purpose or meaning) shall occur under any Indebtedness for borrowed money with an outstanding principal amount in excess of $50,000,000 or any Permitted Refinancing Indebtedness in respect of any of the foregoing with an outstanding principal amount in excess of $50,000,000; or

(c) occupation of a majority of the seats (other than vacant seats) on the board of directors of the Borrower by Persons who were not one or more of the following: (i) directors of the Borrower on the Closing Date, (ii) nominated or appointed by the board of directors of the Borrower or (iii) approved by the board of directors of the Borrower as director candidates prior to their election shall occur.

Notwithstanding the preceding or any provision of Section 13d-3 of the Exchange Act, a Person or group shall not be deemed to beneficially own Equity Interests subject to a stock or asset purchase agreement, merger agreement, option agreement, warrant agreement or similar agreement (or voting or option or similar agreement related thereto) until the consummation of the acquisition of the Equity Interests in connection with the transactions contemplated by such agreement.

"Chapter 11 Cases" shall have the meaning provided in the recitals to this Agreement.

"Chapter 11 Plan" shall have the meaning provided in the recitals to this Agreement.

"Class" shall mean (a) when used in reference to any Loan or Borrowing, (i) refers to whether such Loan, or the Loans comprising such Borrowing, are Initial Loans or Extended Loans, in each case, that have the same terms and conditions (without regard to differences in the Type of Loan (or the Loans comprising such Borrowing), Interest Period, original issue discount, upfront fees or similar fees paid or payable in connection with such Loans (or the Loans comprising such Borrowing), or differences in tax treatment (e.g., "fungibility")); provided that such Loans (or the Loans comprising such Borrowing) may be designated in writing by the Borrower and Lenders holding such Loans (or the Loans comprising such Borrowing) as a separate Class from other Loans (or the Loans comprising such Borrowing) that have the same terms and conditions and (b) when used in reference to any Lender, refers to whether such Lender has Loans (or the Loans comprising such Borrowing) of a particular Class. Extended Loans that have different terms and conditions shall be construed to be in different Classes.

"Closing Date" shall mean October 27, 2020.

"Closing Date Financials" shall have the meaning provided in Section 6(h).

"Closing Date Lender" shall have the meaning provided in Section 13.6(b)(ii)(C).

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"Collateral" shall have the meaning provided for such term in each of the Security Documents and shall include any and all assets securing or intended to secure any or all of the Obligations; provided that with respect to any Mortgages, Collateral (as defined herein) shall include "Deed of Trust Property" (as defined therein).

"Collateral Agent" shall mean Alter Domus Products Corp., as collateral agent under the Security Documents, or any successor collateral agent appointed in accordance with the provisions of Section 12.9.

"Collateral Agreement" shall mean the Collateral Agreement of even date herewith by and among the Borrower, the other grantors party thereto and the Collateral Agent, for the benefit of the Secured Parties, substantially in the form of Exhibit E hereto.

"Commitment" shall mean, with respect to each Lender, the commitment of such Lender to make Initial Loans hereunder on the Closing Date. The amount of each Lender's Commitment to make Initial Loans as of the Closing Date is set forth opposite such Lender's name on Schedule 1.1(a) as such Lender's "Commitment." For the avoidance of doubt, the aggregate amount of the Commitments of all Lenders to make Initial Loans as of the Closing Date is $200,000,000.

"Commitment Percentage" shall mean, at any time, for each Lender, the percentage obtained by dividing (a) such Lender's Commitment to make Initial Loans on the Closing Date by (b) the aggregate amount of the Commitments of all Lenders to make Initial Loans on the Closing Date.

"Commodity Account" shall mean any commodity account maintained by the Credit Parties, including any "commodity accounts" under Article 9 of the UCC. All funds in such Commodity Accounts (other than Excluded Accounts) shall be conclusively presumed to be Collateral and proceeds of Collateral and the Agents and the Lenders shall have no duty to inquire as to the source of the amounts on deposit in the Commodity Accounts.

"Commodity Account Control Agreement" has the meaning specified in Section 9.17.

"Confidential Information" shall have the meaning provided in Section 13.16.

"Confirmation Order" shall mean the order of the Bankruptcy Court dated October 13, 2020, Docket No. 626, confirming the Chapter 11 Plan, which order *inter alia* authorized and approved the Debtors' entry into and performance under this Agreement.

"Connection Income Taxes" shall mean Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"Consolidated Current Assets" shall mean, as at any date of determination, without duplication, the sum of all amounts that would, in conformity with GAAP, be set forth opposite the caption "total current assets" (or any like caption) on a consolidated balance sheet of the Borrower and its Restricted Subsidiaries on such date, plus the Available Commitment then available to be borrowed, but excluding the amount of any non-cash asset under Accounting Standards Codification Topic No. 410 and Accounting Standards Codification Topic No. 815.

"Consolidated Current Liabilities" shall mean, as at any date of determination, without duplication, the sum of all amounts that would, in conformity with GAAP, be set forth opposite the caption "total current liabilities" (or any like caption) on a consolidated balance sheet of the Borrower and its Restricted Subsidiaries on such date, but excluding, without duplication, (a) the amount of any non-cash liabilities under Accounting Standards Codification Topic No. 410 and Accounting Standards Codification Topic No.

815, (b) the current portion of current and deferred income taxes (c) the current portion of any Loans and other long-term liabilities and (d) any non-cash liabilities recorded in connection with stock-based or similar incentive-based compensation awards or arrangements.

"Consolidated EBITDAX" shall mean, for any period, for the Borrower and its Restricted Subsidiaries on a consolidated basis, an amount equal to Consolidated Net Income for such period plus (a) the following to the extent deducted (and not added back) in calculating such Consolidated Net Income: (i) Consolidated Interest Expenses for such period, (ii) an amount equal to the provision for federal, state, and local income and franchise taxes, (iii) depletion, depreciation, amortization and exploration expense for such period (including all drilling, completion, geological and geophysical costs), (iv) losses from asset Dispositions (excluding Hydrocarbons Disposed of in the ordinary course of business), (v) all other non- cash items reducing such Consolidated Net Income for such period, (vi) non-recurring losses in an amount not to exceed five percent (5.0%) of Consolidated EBITDAX (prior to giving effect to such addbacks) for such period in the aggregate during such time, (vii) fees, costs and expenses paid for attorneys, accountants, lenders, bankers and other restructuring and strategic advisors in connection with the Chapter 11 Cases (including any fees, costs and expenses in connection with the DIP Facilities) or the Chapter 11 Plan and fees, costs and expenses of any party incurred with regard to negotiation, execution and delivery of this Agreement, the other Credit Documents and the documents relating to the First Lien Exit Facility and the EHP Notes, including any amendments thereto, (viii) fees, costs and expenses and other transaction costs incurred through December 31, 2020 in connection with the Transactions, the Chapter 11 Cases and the other transactions contemplated hereby or thereby (including the Transaction Expenses), (ix) non-cash losses from the adoption of fresh start accounting in connection with the consummation of the Chapter 11 Plan and (x) all severance costs, expenses and/or one-time compensation costs incurred through December 31, 2020, in connection with the Chapter 11 Cases; all determined on a consolidated basis with respect to the Borrower and its Restricted Subsidiaries in accordance with GAAP, using the results of the twelve-month period ending with that reporting period, and minus (b) the following to the extent included in (and not deducted from) calculating such Consolidated Net Income: (i) federal, state and local income tax credits of the Borrower and its Restricted Subsidiaries for such period (ii) gains from asset Dispositions (excluding Hydrocarbons Disposed of in the ordinary course of business), (iii) all other non-cash items increasing Consolidated Net Income for such period, and (iv) non-recurring gains; provided that, with respect to the determination of the Borrower's compliance with the Financial Performance Covenants set forth in Section 11.11 for any period, Consolidated EBITDAX shall be adjusted to give effect, on a *pro forma* basis, to any Qualified Acquisition or Qualified Disposition made during such period, as if such acquisition or Disposition had occurred on the first day of such period.

Consolidated EBITDAX shall be calculated for each four-fiscal quarter period using the Consolidated EBITDAX for the four most recently ended fiscal quarters (or with respect to fiscal quarters ending on or before September 30, 2021, Annualized EBITDAX).

For the avoidance of doubt, Consolidated EBITDAX shall be calculated in accordance with Section 1.12.

"Consolidated Interest Expense" shall mean, with respect to any Person for any period, without duplication, the sum of:

(i) consolidated interest expense of such Person and its Restricted Subsidiaries for such period, to the extent such expense was deducted (and not added back) in computing Consolidated Net Income (*including* (A) amortization of original issue discount resulting from the issuance of Indebtedness at less than par, (B) all commissions, discounts and other fees and charges owed with respect to letters of credit or bankers acceptances, (C) non-cash interest payments (but excluding any non-cash interest expense attributable to the movement in the mark to market

valuation of Hedging Obligations or other derivative instruments pursuant to GAAP), (D) the interest component of obligations under any Capitalized Lease, and (E) net payments, if any, made (less net payments, if any, received), pursuant to interest rate Hedge Agreements with respect to Indebtedness, and *excluding* (F) costs associated with obtaining Hedge Agreements and breakage costs in respect of Hedge Agreements related to interest rates, (G) any expense resulting from the discounting of any Indebtedness in connection with the application of recapitalization accounting or, if applicable, recapitalization or purchase accounting in connection with the Transactions or any acquisition, (H) penalties and interest relating to income taxes, (I) any "additional interest" or "liquidated damages" with respect to other securities for failure to timely comply with registration rights obligations, (J) amortization or expensing of deferred financing fees, amendment and consent fees, debt issuance costs, commissions, fees and expenses and discounted liabilities, (K) any expensing of bridge, commitment and other financing fees and any other fees related to the Transactions or any acquisitions after the Closing Date, (L) any accretion of accrued interest on discounted liabilities and any prepayment premium or penalty (other than Indebtedness except to the extent arising from the application of purchase or recapitalization accounting) and (M) annual agency fees paid to the administrative agents and collateral agents under any credit facilities or other debt instruments or document); plus

(ii) consolidated capitalized interest of such Person and its Restricted Subsidiaries for such period, whether paid or accrued; less

(iii) interest income of such Person and its Restricted Subsidiaries for such period.

For purposes of this definition, interest on obligations in respect of Capitalized Leases shall be deemed to accrue at an interest rate reasonably determined by such Person to be the rate of interest implicit in such obligations in accordance with GAAP.

"Consolidated Net Income" shall mean, for any period, for the Borrower and its Restricted Subsidiaries on a consolidated basis, the net income (loss) of the Borrower and its Restricted Subsidiaries (excluding extraordinary gains and extraordinary losses and the net income (loss) of any Person (other than the Borrower or a Restricted Subsidiary) in which the Borrower and its Restricted Subsidiaries own any Equity Interests for that period, except to the extent of the amount of dividends and distributions actually received by the Borrower or a Restricted Subsidiary), provided that the calculation of Consolidated Net Income shall exclude any non-cash charges or losses and any non-cash income or gains, in each case, required to be included in net income of the Borrower and its Subsidiaries as a result of the application of FASB Accounting Standards Codifications 718, 815, 410 and 360, but shall expressly include any cash charges or payments that have been incurred as a result of the termination of any Hedge Agreement.

"Consolidated Secured Net Leverage Ratio" shall mean, as of any date of determination, the ratio of (a) Consolidated Total Debt as of the last day of the most recent Test Period that is secured by a Lien on the Collateral to (b) Consolidated EBITDAX of the Borrower for such Test Period (or in the case of fiscal quarters ending on or before September 30, 2021, Annualized EBITDAX of the Borrower for such Test Period).

"Consolidated Total Assets" shall mean the total assets of the Borrower and its Restricted Subsidiaries, determined on a consolidated basis in accordance with GAAP, as shown on the most recent consolidated balance sheet of the Borrower delivered pursuant to Section 9.1(a) or (b) (and, in the case of any determination relating to any incurrence of Indebtedness or any Investment or other acquisition, on a *pro forma* basis including any property or assets being acquired in connection therewith).

"Consolidated Total Debt" shall mean, as of any date of determination, (a) the sum of (without duplication) all Indebtedness of the types described in clauses (a) and (b) (other than intercompany Indebtedness owing to the Borrower or any Subsidiary), clause (d) (but, in the case of clause (d), only to the extent of any unreimbursed drawings under any letter of credit that has not been cash collateralized), clause (e), clauses (h) through (i) and clause (k) (but, in the case of clause (k), only to the extent of Guarantee Obligations with respect to Indebtedness otherwise included in this definition of "Consolidated Total Debt") of the definition thereof, in each case actually owing by the Borrower and the Subsidiaries on such date and to the extent appearing on the balance sheet of the Borrower determined on a consolidated basis in accordance with GAAP, minus (b) the aggregate amount of all Unrestricted Cash and cash equivalents on the balance sheet of the Borrower and the Grantors as of such date; provided that (i) clause (a) above shall not include Indebtedness (A) in respect of letters of credit, bank guarantees and performance or similar bonds except to the extent of unreimbursed amounts thereunder and (B) of Unrestricted Subsidiaries and (ii) the amount of Unrestricted Cash and cash equivalents deducted pursuant to clause (b) above shall not exceed $100,000,000.

"Consolidated Total Net Leverage Ratio" shall mean, as of any date of determination, the ratio of (a) Consolidated Total Debt as of the last day of the most recent Test Period to (b) Consolidated EBITDAX of the Borrower for such Test Period (or in the case of fiscal quarters ending on or before September 30, 2021, Annualized EBITDAX of the Borrower for such Test Period).

"Contractual Requirement" shall have the meaning provided in Section 8.3.

"Controlled Account" shall mean a Deposit Account, a Securities Account or a Commodity Account that is subject to a Deposit Account Control Agreement, a Securities Account Control Agreement or a Commodity Account Control Agreement, as the case may be.

"Corresponding Tenor" shall mean, with respect to any Available Tenor, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

"Credit Documents" shall mean this Agreement, the Guarantee, the Security Documents, any Notes issued by the Borrower to a Lender under this Agreement, each Extension Amendment (if any) and the Agent Fee Letter.

"Credit Event" shall mean and include the making (but not the conversion or continuation) of a Loan.

"Credit Party" shall mean each of the Borrower and the Grantors.

"Cure Amount" shall have the meaning provided in Section 11.14(a).

"Cure Deadline" shall have the meaning provided in Section 11.14(a).

"Cure Right" shall have the meaning provided in Section 11.14(a).

"Current Ratio" shall mean, as of any date of determination, the ratio of (a) Consolidated Current Assets to (b) Consolidated Current Liabilities.

"Current Ratio Covenant" shall mean the covenant of the Borrower set forth in Section 10.11(b).

"Daily Simple SOFR" shall mean, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for syndicated business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.

"Debtor Relief Laws" shall mean the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"Debtors" shall have the meaning provided in the recitals to this Agreement.

"Default" shall mean any event, act or condition that constitutes an Event of Default or with notice or lapse of time, or both, would constitute an Event of Default.

"Default Rate" shall have the meaning provided in Section 2.8(c).

"Defaulting Lender" shall mean any Lender whose acts or failure to act, whether directly or indirectly, cause it to meet any part of the definition of "Lender Default".

"Deposit Account" shall mean any checking or other demand deposit account maintained by the Credit Parties, including any "deposit accounts" under Article 9 of the UCC. All funds in such Deposit Accounts (other than Excluded Accounts) shall be conclusively presumed to be Collateral and proceeds of Collateral and the Agents and the Lenders shall have no duty to inquire as to the source of the amounts on deposit in the Deposit Accounts.

"Deposit Account Control Agreement" shall have the meaning provided in Section 9.17.

"DIP Facilities" shall have the meaning provided in the recitals to this Agreement.

"Discharge of Priority Lien Obligations" shall have the meaning given to such term in the First Lien/Second Lien Intercreditor Agreement.

"Dispose" or "Disposed of" shall have a correlative meaning to the defined term of "Disposition".

"Disposition" shall have the meaning provided in Section 10.4.

"Disqualified Stock" shall mean any Equity Interest that, by its terms (or by the terms of any security or other Equity Interests into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition (a) matures or is mandatorily redeemable (other than solely for Qualified Equity Interests), pursuant to a sinking fund obligation, scheduled redemption or otherwise (except as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior Payment in Full), (b) is redeemable at the option of the holder thereof (other than solely for Qualified Equity Interests and other than as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior Payment in Full, (c) provides for the scheduled payments of dividends in cash, or (d) is or becomes convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Stock, in the case of each of clauses (a), (b), (c) and (d), prior to the date that is one hundred eighty one (181) days

after the Final Maturity Date; provided that if such Equity Interests are issued pursuant to any plan for the benefit of future, current or former employees, directors, officers, members of management or consultants of the Borrower or its Restricted Subsidiaries or by any such plan to such employees, directors, officers, members of management or consultants, such Equity Interests shall not constitute Disqualified Stock solely because they may be required to be repurchased by the Borrower or its Restricted Subsidiaries in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's, director's, officer's, management member's or consultant's termination, death or disability; provided, further, that any Equity Interests held by any future, current or former employee, director, officer, member of management or consultant of the Borrower, any of its Restricted Subsidiaries or any other entity in which the Borrower or a Restricted Subsidiary has an Investment and is designated in good faith as an "affiliate" by the Board of Directors of the Borrower (or the compensation committee thereof), in each case pursuant to any stock subscription or shareholders' agreement, management equity plan or stock option plan or any other management or employee benefit plan or agreement shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Borrower or its Restricted Subsidiaries in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's, director's, officer's, management member's or consultant's termination, death or disability.

"Distressed Person" shall have the meaning provided in the definition of "Lender-Related Distress Event".

"Distributable Free Cash Flow" shall mean, as of any time of determination, an amount equal to (a) Free Cash Flow as of the last day of the most recently ended fiscal quarter (the "Specified Quarter") for which financial statements have been delivered pursuant to clause (a) or (b) of Section 9.1 (such date a "Reporting Date") minus (b) the aggregate amount of the Free Cash Flow Utilizations that occur after the Reporting Date for such Specified Quarter and continuing through such time of determination. For the avoidance of doubt, any amount deducted in calculating Distributable Free Cash Flow as of any time of determination shall be without duplication of amounts deducted in calculating Free Cash Flow for purposes of such calculation of Distributable Free Cash Flow.

"Dollars" and "$" shall mean dollars in lawful currency of the United States of America.

"Domestic Subsidiary" shall mean each Subsidiary of the Borrower that is organized under the laws of the United States or any state thereof, or the District of Columbia.

"Dutch Auction" shall have the meaning provided in Section 13.6(i).

"Early Opt-in Election" shall mean if the then-current Benchmark is USD LIBOR, the occurrence of the following on or after December 31, 2020:

(a) a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding U.S. dollar-denominated syndicated credit facilities in the U.S. syndicated loan market at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and

(b) the joint election by the Administrative Agent and the Borrower to trigger a fallback from USD LIBOR and the provision by the Administrative Agent of written notice of such election to the Lenders.

"EEA Financial Institution" shall mean (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" shall mean any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" shall mean any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"EHP" shall mean Elk Hills Power, LLC, a Delaware limited liability company.

"EHP Collateral" shall mean the assets and property of the EHP Entities which constitute collateral under the EHP Notes, including the Equity Interests of EHP and EHP Midco; provided that the EHP Collateral shall exclude the Equity Interests of EHP Topco owned by the Credit Parties.

"EHP Discharge Date" shall mean the date on which (i) all Obligations (as defined under the EHP Notes) shall have been paid in full in cash and all other obligations under the loan documents entered into in connection with the EHP Notes shall have been performed (other than (a) those expressly stated to survive termination and (b) contingent obligations as to which no claim has been asserted) and (ii) all Liens securing the EHP Notes shall have been released or terminated; provided that in no event shall an EHP Discharge Date occur if the EHP Notes are Refinanced with Permitted Refinancing Indebtedness (or any Permitted Refinancing Indebtedness in respect of such Permitted Refinancing Indebtedness) incurred in reliance on Section 10.1(c)(i).

"EHP Easement" shall mean the easement in substantially the form attached as Exhibit 4.19(a) to the EHP Note Purchase Agreement, as amended or modified in accordance with, and as permitted by, this Agreement.

"EHP Entities" shall mean EHP Topco, EHP Midco, EHP, and their respective Subsidiaries.

"EHP LTS Ground Lease" shall mean the ground lease in substantially the form attached as Exhibit 9.15(b) to the EHP Note Purchase Agreement, as amended or modified in accordance with, and as permitted by, this Agreement.

"EHP Ground Leases" shall mean the Ground Leases (as defined in the EHP Note Purchase Agreement), as amended or modified in accordance with, and as permitted by, this Agreement.

"EHP Midco" shall mean EHP Midco Holding Company, LLC, a Delaware limited liability company.

"EHP Note Purchase Agreement" shall mean that certain Note Purchase Agreement, dated as of the date hereof, by and among EHP Midco, the purchasers described therein and Wilmington Trust, National Association, as collateral agent, as amended, restated, supplemented or otherwise modified from time to time in accordance with, and as permitted by, this Agreement.

"EHP Notes" shall mean those certain notes issued pursuant to the EHP Note Purchase Agreement and the "Note Documents" (as defined therein), in each case, secured solely pursuant to Section 10.2(s), as may be amended, restated, amended and restated, supplemented, extended, replaced, exchanged, refinanced or otherwise modified from time to time in accordance with, and as permitted by, this Agreement.

"EHP Support Agreement" shall mean that certain Sponsor Support Agreement, dated as of the date hereof, by and among the Borrower, EHP Midco and EHP.

"EHP Topco" shall mean EHP Topco Holding Company, LLC, a Delaware limited liability company.

"Electronic Signature" shall mean an electronic sound, symbol or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

"Environmental Claims" shall mean any and all written actions, suits, orders, decrees, demands, demand letters, claims, liens, notices of liability, noncompliance, violation or proceedings arising under or based upon any Environmental Law or any Environmental Permit (hereinafter, "Claims"), including, without limitation, (i) any and all Claims by any Governmental Authority for enforcement, investigation, cleanup, removal, response, remedial, reclamation, closure, plugging and abandonment, or other actions, damages, or civil or criminal sanctions pursuant to any applicable Environmental Law and (ii) any and all Claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief regarding the presence, Release or threatened Release of Hazardous Materials or arising from alleged injury or threat of injury to health or safety (to the extent relating to human exposure to Hazardous Materials), or the environment including, without limitation, air, surface water, groundwater, land surface and subsurface strata and natural resources such as wetlands, or pertaining to alleged public or private nuisance.

"Environmental Law" shall mean any applicable federal, state, foreign or local statute, law, rule, regulation, ordinance, code, guidance, and common law now or hereafter in effect and in each case as amended, and any binding judicial or administrative interpretation thereof, including any binding judicial or administrative order, consent decree or judgment, as well as any permit or approval, relating to the pollution or protection of the environment, including, without limitation, ambient or indoor air, surface water, groundwater, greenhouse gases or climate change, endangered species, land surface and subsurface strata and natural resources such as wetlands, or human health or safety (to the extent relating to human exposure to hazardous materials or any Release or recycling of, or exposure to, any pollutants, contaminants or chemicals or any toxic or otherwise hazardous substances, materials or wastes).

"Environmental Permit" shall mean any permit, approval, identification number, registration, license or other authorization required under any applicable Environmental Law.

"Equity Interests" of any person shall mean any and all shares, interests, rights to purchase or otherwise acquire, warrants, options, participations or other equivalents of or interests in (however designated) equity or ownership of such person, including any preferred stock, any limited or general partnership interest and any limited liability company membership interest, and any securities or other rights or interests convertible into or exchangeable for any of the foregoing, excluding any debt security that is convertible or exchangeable into any Equity Interests; provided that any instrument evidencing Indebtedness convertible or exchangeable into Equity Interests, whether or not such debt securities include any right of participation with Equity Interests, shall not be deemed to be Equity Interests unless and until such instrument is so converted or exchanged.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder.

"ERISA Affiliate" shall mean each person (as defined in Section 3(9) of ERISA) that together with any Credit Party would be deemed to be a "single employer" within the meaning of Section 4001(b)(1) of ERISA or Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

"ERISA Event" shall mean (a) a Reportable Event with respect to a Pension Plan; (b) a withdrawal by the Borrower or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) the failure of a Credit Party or any ERISA Affiliate to make by its due date a required installment under Section 430(j) of the Code with respect to any Pension Plan; (d) a failure to satisfy the minimum funding standard under Section 412 of the Code or Section 302 of ERISA, or the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard, in each case with respect to a Pension Plan, whether or not waived, or a failure to make any required contribution to a Multiemployer Plan; (e) a complete or partial withdrawal by a Credit Party or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is insolvent within the meaning of Title IV of ERISA or is in endangered or critical status, within the meaning of Section 305 of ERISA; (f) the filing of a notice of intent to terminate, the treatment of a Pension Plan amendment as a termination under Section 4041 or 4041A of ERISA, respectively, or the commencement of proceedings by the PBGC to terminate a Pension Plan; (g) the appointment of a trustee to administer, any Pension Plan; (h) the imposition of any liability under Title IV of ERISA, including the imposition of a lien under Section 412 or 430(k) of the Code or Section 303 or 4068 of ERISA on any property (or rights to property, whether real or personal) of a Credit Party or any ERISA Affiliate, but excluding PBGC premiums due but not delinquent under Section 4007 of ERISA, upon such Credit Party or any ERISA Affiliate; (i) a determination that any Pension Plan is, or is expected to be, in "at-risk" status (within the meaning of Section 303(i)(4)(A) of ERISA or Section 430(i)(4)(A) of the Code) or (j) the occurrence of a non-exempt prohibited transaction with respect to any Pension Plan maintained or contributed to by any Credit Party (within the meaning of Section 4975 of the Code or Section 406 of ERISA) which could reasonably be excepted to result in material liability to such Credit Party.

"EU Bail-In Legislation Schedule" shall mean the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Event of Default" shall have the meaning provided in Section 11.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

"Excluded Accounts" shall mean (a) each account all of the deposits in which consist of amounts utilized solely to fund payroll, employee benefit or tax obligations of the Borrower and its Restricted Subsidiaries, (b) fiduciary accounts, (c) segregated accounts of the Borrower and the Grantors solely holding royalty obligations owed to a person other than the Borrower or a Guarantor, suspense funds, royalty payments, net profits interest payments and other similar payments constituting property of a third party, (d) escrow or trust accounts pending litigation or other settlement claims, (e) accounts solely holding purchase price deposits held in escrow pursuant to a purchase and sale agreement with a third party containing customary provisions regarding the payment and refunding of such deposits, (f) accounts solely holding deposits for the payment of professional fees in connection with the Chapter 11 Case, (g) each account that constitutes EHP Collateral, (h) accounts solely holding cash collateral to secure letters of credit

permitted pursuant to Sections 10.1(z) and 10.2(d) and (i) other accounts selected by the Borrower and its Restricted Subsidiaries so long as the average daily maximum balance in any such other account over a 30-day period does not at any time exceed $5,000,000; provided that the aggregate daily maximum balance for all such bank accounts excluded pursuant to this clause (i) on any day shall not exceed $10,000,000.

"Excluded Assets" shall mean (a) all Excluded Equity Interests, (b) any property to the extent the grant or maintenance of a Lien on such property (i) is prohibited by applicable law, (ii) could reasonably be expected to result in material adverse tax consequences to the Borrower or any Subsidiary of the Borrower, (iii) requires a consent not obtained of any Governmental Authority pursuant to applicable law or (iv) is prohibited by, or constitutes a breach or default under or results in the termination of or requires any consent not obtained under, any contract, license, agreement, instrument or other document evidencing or giving rise to such property, except, in the case of clauses (i), (ii) and (iv) of this clause (b), to the extent that such prohibition, consent or term in such contract, license, agreement, instrument or other document or similar agreement providing for such prohibition, breach, default or termination or requiring such consent is ineffective under applicable law (including pursuant to Section 9-406, 9-407, 9-408 or 9-409 of the Uniform Commercial Code or pursuant to the Bankruptcy Code), (c) Excluded Accounts, (d) any intent-to-use trademark or service mark application prior to the filing of a "Statement of Use" or "Amendment to Allege Use" with respect thereto, to the extent that, and solely during the period in which, the grant of a security interest therein would violate the Lanham Act or impair the validity or enforceability of, or render void or voidable or result in the cancellation of, the applicable Grantor's right, title or interest therein or any trademark or service mark that issues as a result of such intent-to-use trademark or service mark application under applicable federal law, (e) any property as to which the Administrative Agent (at the written direction of the Majority Lenders) and the Borrower agree in writing that the costs of obtaining a security interest in, or Lien on, such property, or perfection thereof, are excessive in relation to the value to the Secured Parties of the security interest afforded thereby, (f) any Building or Manufactured (Mobile) Home included in any Specified Properties subject to a Mortgage and any Building or Manufactured (Mobile) Home comprising part of any other Material Real Property subject to a Mortgage, unless and until the Administrative Agent has completed its flood diligence, and if applicable, received all Flood Documentation, (g) motor vehicles or other assets subject to certificates of title (except to the extent the security interests in such vehicles or assets can be perfected by filing an "all assets" UCC-1 financing statement) and (h) proceeds of any of the foregoing, but only to the extent such proceeds would otherwise independently constitute "Excluded Property" under clauses (a) through (g).

"Excluded Equity Interests" shall mean (a) any Equity Interests with respect to which, in the reasonable judgment of the Majority Lenders (confirmed in writing by notice to the Borrower), the cost or other consequences of pledging such Equity Interests in favor of the Secured Parties under the Security Documents shall be excessive in view of the benefits to be obtained by the Secured Parties therefrom, (b) any Equity Interests to the extent the pledge thereof would be prohibited by any Requirement of Law, (c) in the case of any Equity Interests of any Subsidiary to the extent the pledge of such Equity Interests is prohibited by Contractual Requirements existing on the Closing Date or at the time such Subsidiary is acquired (provided that such Contractual Requirements have not been entered into in contemplation of this Agreement or such Subsidiary being acquired), any Equity Interests of each such Subsidiary to the extent (A) that a pledge thereof to secure the Obligations is prohibited by such Contractual Requirement (other than customary non-assignment provisions which are ineffective under the UCC or other applicable Requirements of Law), (B) such Contractual Requirement prohibits such a pledge without the consent of any other party other than if (1) such other party is a Credit Party or a Subsidiary, (2) such consent is solely contingent or conditioned upon a commercially reasonable undertaking by the Borrower or any Subsidiary which is in its reasonable control or (3) such consent has been obtained (it being understood that this clause (3) shall not be deemed to obligate the Borrower or any Subsidiary to obtain any such consent) and only for so long as such Contractual Requirement is in effect, or (C) a pledge thereof to secure the Obligations would give any other party (other than a Credit Party or a Subsidiary) to such Contractual

Requirement the right to terminate its obligations thereunder (in each case under clauses (A), (B) and (C), other than customary non-assignment provisions that are ineffective under the UCC or other applicable Requirement of Law), (d) the Equity Interests of any Unrestricted Subsidiary, (e) the Equity Interests set forth on Schedule 1.1(b) which have been identified on or prior to the Closing Date in writing to the Lenders by an Authorized Officer of the Borrower and agreed to by the Majority Lenders, (f) the Equity Interests in each EHP Entity (other than of EHP Topco; it being understood and agreed that the Equity Interests in EHP Topco shall not be Excluded Equity Interests under this Agreement or any other Collateral Document), in each case solely prior to the EHP Discharge Date, (g) Margin Stock and (h) solely in the case of any pledge of Equity Interests of any CFC or FSHCO to secure the Obligations, any Equity Interests in excess of 65% of the outstanding Voting Equity of such CFC or FSHCO (such percentages to be adjusted upon any change of law as may be required to avoid adverse U.S. federal income tax consequences to the Borrower or any Subsidiary). Notwithstanding the foregoing, the Equity Interests of any Production Sharing Entity that is the direct owner of any Production Sharing Contract shall not be Excluded Equity Interests.

"Excluded Information" shall mean any non-public information with respect to the Borrower or its Subsidiaries or any of their respective securities to the extent such information could have a material effect upon, or otherwise be material to, an assigning Lender's decision to assign Loans or a purchasing Lender's decision to purchase Loans.

"Excluded Subsidiary" shall mean (a) each Immaterial Subsidiary, for so long as any such Subsidiary constitutes an Immaterial Subsidiary pursuant to the terms hereof, (b) each Restricted Subsidiary that is not a Wholly Owned Subsidiary (for so long as such Subsidiary remains a non-wholly owned Restricted Subsidiary); provided that a Material Subsidiary shall not be excluded pursuant to this clause (b), (c) each Restricted Subsidiary that is prohibited by any applicable Contractual Requirement (other than customary non-assignment provisions that are ineffective under the UCC or other applicable Requirement of Law or any term, covenant, condition or provision that would be waived by the Borrower or its Affiliates) not entered into in contemplation of this Agreement or of such Subsidiary becoming a Subsidiary or a Restricted Subsidiary or Requirement of Law from guaranteeing or granting Liens to secure the Obligations at the time such Person becomes a Subsidiary or Restricted Subsidiary, and for so long as such restriction is in effect and was not entered into in contemplation of this Agreement or such Person becoming a Subsidiary or a Restricted Subsidiary or that would require a consent, approval, license or authorization of a Governmental Authority to guarantee or grant Liens to secure the Obligations at the time such Person becomes a Subsidiary or a Restricted Subsidiary (unless such consent, approval, license or authorization has been received), (d) each EHP Entity, but solely prior to the EHP Discharge Date, (e) unless it would not be reasonably expected to result in a material additional tax liability to the Borrower or its Subsidiaries, (i) any FSHCO, (ii) any direct or indirect Subsidiary of the Borrower that is a CFC and (iii) any Domestic Subsidiary that is a direct or indirect subsidiary of a Foreign Subsidiary of the Borrower that is a CFC and (f) each Unrestricted Subsidiary.

"Excluded Taxes" shall mean any (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 13.7) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 5.4 amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such recipient's failure to comply with Section 5.4(f) and (d) any withholding Taxes imposed

under FATCA, in each case of the foregoing clauses (a)-(d), which Taxes are imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient.

"Expected Cure Amount" shall have the meaning provided in Section 11.14(a)(iii).

"Extended Loans" shall have the meaning assigned to such term in Section 2.14(a).

"Extending Lender" shall have the meaning assigned to such term in Section 2.14(a).

"Extension" shall have the meaning assigned to such term in Section 2.14(a).

"Extension Amendment" shall have the meaning assigned to such term in Section 2.14(c).

"Extension Offer" shall have the meaning assigned to such term in Section 2.14(a).

"Facility" shall mean this Agreement and the extensions of credit made hereunder (including the Loans).

"Fair Market Value" shall mean, with respect to any asset or group of assets on any date of determination, the value of the consideration obtainable in a Disposition of such asset at such date of determination assuming a Disposition by a willing seller to a willing purchaser dealing at arm's length and arranged in an orderly manner over a reasonable period of time having regard to the nature and characteristics of such asset, as reasonably determined by the Borrower in good faith.

"Farm-In Agreement" shall mean an agreement, joint venture or contractual relationship whereby a Person agrees, among other things, to pay all or a share of the drilling, completion or other expenses of one or more wells or perform the drilling, completion or other operation on such well or wells as all or a part of the consideration provided in exchange for an ownership interest in an Oil and Gas Property or which has been formed for the purpose of exploring for and/or developing Oil and Gas Properties, where each of the parties thereto has either contributed or agreed to contribute cash, services, Oil and Gas Properties, other assets, or any combination of the foregoing.

"Farm-Out Agreement" shall mean a Farm-In Agreement, viewed from the standpoint of the party that grants to another party the right to earn an ownership interest in an Oil and Gas Property.

"FATCA" shall mean Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

"Federal Funds Effective Rate" shall mean, for any day, the weighted average of the per annum rates on overnight federal funds transactions with members of the Federal Reserve System, as published on the next succeeding Business Day on the Federal Reserve Bank of New York's Website as the effective federal funds rate; provided, that (a) if such day is not a Business Day, the Federal Funds Effective Rate for such day shall be the rate calculated by the NYFRB based on the next preceding Business Day's federal funds transactions by depositary institutions and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Effective Rate for such day shall be the average rate charged to major banks on such day on such transactions as determined by the Administrative Agent; provided, further if the

Federal Funds Effective Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"Federal Reserve Bank of New York's Website" shall mean the website of the NYFRB at http://www.newyorkfed.org, or any successor source.

"Final Maturity Date" shall mean, as of any date of determination, the latest maturity or expiration date applicable to any Loan hereunder at such time, including the latest maturity or expiration date of any Extended Loan, in each case as extended in accordance with this Agreement from time to time.

"Financial Officer" of any Person shall mean the Chief Financial Officer, Chief Accounting Officer, principal accounting officer, Controller, Treasurer or Assistant Treasurer of such Person.

"Financial Performance Covenants" shall mean the covenants of the Borrower set forth in Section 10.11.

"First Lien Exit Administrative Agent" shall mean, with respect to the First Lien Exit Facility, the agent, trustee or other representative of the holders of the indebtedness and other obligations evidenced thereunder or governed thereby, in each case, together with its successors in such capacity.

"First Lien Exit Collateral Agent" shall have the meaning provided in the First Lien Exit Credit Agreement.

"First Lien Exit Credit Agreement" shall mean that certain Credit Agreement, dated as of the Closing Date, among the Borrower, the lenders party thereto, the First Lien Exit Administrative Agent and the other parties party thereto, as may be amended, restated, amended and restated, extended, replaced, exchanged, refinanced, supplemented or otherwise modified from time to time in accordance with, and as permitted by, this Agreement and the First Lien/Second Lien Intercreditor Agreement.

"First Lien Exit Credit Documents" shall mean the First Lien Exit Credit Agreement, the First Lien Exit Security Documents, any guarantee agreement in respect of the First Lien Exit Facility and any other "Credit Documents" under (and as defined) in the First Lien Exit Credit Agreement, in each case, as may be amended, restated, amended and restated, extended, replaced, exchanged, refinanced, supplemented or otherwise modified from time to time in accordance with, and as permitted by, this Agreement and the First Lien/Second Lien Intercreditor Agreement.

"First Lien Exit Facility" shall mean the credit facilities governed by the First Lien Exit Credit Agreement and the other First Lien Exit Credit Documents, in each case, secured solely pursuant a Lien permitted under Section 10.2(s) by First Lien Exit Security Documents that shall be substantially consistent with the Security Documents and shall otherwise contain customary provisions reasonably satisfactory to the Majority Lenders to reflect the first lien nature thereof.

"First Lien Exit Facility Indebtedness" shall mean the Indebtedness and other "Obligations" under (and as defined in) the First Lien Exit Facility.

"First Lien Exit Financial Covenants" shall mean the financial covenants under Section 10.11 of the First Lien Exit Credit Agreement.

"First Lien Exit Security Documents" shall mean the First Lien/Second Lien Intercreditor Agreement and any security agreements, collateral agreements, pledge agreements, collateral assignments, mortgages, deeds of trust, collateral agency agreements, control agreements, or grants or transfers for

security, executed and delivered by any Credit Party creating (or purporting to create) a Lien upon the Collateral in favor of the holders of any First Lien Exit Facility Indebtedness and the other secured parties thereunder, in each case, as may be amended, restated, amended and restated, supplemented, extended, replaced, exchanged, refinanced or otherwise modified from time to time in accordance with, and as permitted by, this Agreement and the First Lien/Second Lien Intercreditor Agreement.

"First Lien/Second Lien Intercreditor Agreement" shall mean an intercreditor agreement among the Administrative Agent, the Collateral Agent, the First Lien Exit Administrative Agent and the collateral agent under the First Lien Exit Security Documents, and acknowledged by the Credit Parties, which agreement shall be in the form attached as Exhibit F, as it may be amended, restated, amended and restated, supplemented or otherwise modified from time to time in accordance with, and as permitted by, this Agreement.

"Flood Documentation" shall mean, with respect to each parcel of Material Real Property, (i) a completed "life-of-loan" Federal Emergency Management Agency standard flood hazard determination, together with a notice about Special Flood Hazard Area status and flood disaster assistance duly executed by the applicable Credit Party relating thereto (to the extent such real property is located in a Special Flood Hazard Area) and (ii) evidence of flood insurance as required by Section 9.11 and any analogous provisions of the Security Documents, each of which shall (A) be endorsed or otherwise amended to include a "standard" or "New York" lender's loss payable or mortgagee endorsement (as applicable), (B) name the Collateral Agent, on behalf of the Secured Parties, as additional insured and loss payee/mortgagee, (C) identify the address of each property located in a Special Flood Hazard Area, the applicable flood zone designation and the flood insurance coverage and deductible relating thereto and (D) be otherwise in form and substance reasonably satisfactory to the Administrative Agent and the Majority Lenders (or their respective counsel).

"Flood Insurance Regulation" shall mean (i) the National Flood Insurance Act of 1968 as now or hereafter in effect or any successor statute thereto, (ii) the Flood Disaster Protection Act of 1973 as now or hereafter in effect or any successor statute thereto, (iii) the National Flood Insurance Reform Act of 1994 (amending 42 USC 4001, et seq.), as the same may be amended or recodified from time to time or any successor statute thereto, (iv) the Flood Insurance Reform Act of 2004 as now or hereafter in effect or any successor statute thereto and (v) the Biggert-Waters Flood Insurance Reform Act of 2012, as now or hereafter in effect or any successor statute thereto, together with all statutory and regulatory provisions consolidating, amending, replacing, supplementing, implementing or interpreting any of the foregoing, as amended or modified from time to time.

"Floor" shall mean the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to USD LIBOR.

"Foreign Lender" shall mean a Lender that is not a U.S. Person.

"Foreign Plan" shall mean any employee benefit plan, program, policy, arrangement or agreement maintained or contributed to by the Borrower or any of its Subsidiaries with respect to employees employed outside the United States.

"Foreign Subsidiary" shall mean each Subsidiary of the Borrower that is not a Domestic Subsidiary.

"Free Cash Flow" shall mean, for any fiscal quarter, Consolidated EBITDAX of the Borrower and its Restricted Subsidiaries minus the increase (or plus the decrease) in non-cash Working Capital (without duplication of any working capital changes already considered elsewhere and excluding the Available

Commitment from the calculation of Consolidated Current Assets) from the previous fiscal quarter minus the sum, in each case without duplication, of the following amounts in respect of the Borrower and its Restricted Subsidiaries for such period: (a) voluntary and scheduled cash prepayments and repayments of Indebtedness (other than the Loans) which cannot be reborrowed pursuant to the terms of such Indebtedness (other than any repayments of Other Debt and other transactions contemplated by Section 10.7(a)(iii)), (b) cash paid for capital expenditures, (c)(i) cash payments for amounts described in clauses (i) and (ii) of the definition of Consolidated Interest Expense minus (ii) amounts described in clause (iii) of the definition of Consolidated Interest Expense, (d) income and franchise taxes paid in cash, (e) exploration expenses paid in cash, (f)(i) Investments made in cash during such period (other than those made in reliance on Section 10.5(i)) and (ii) Restricted Payments made in cash during such period (other than those made in reliance on Section 10.6(i)), (g) Permitted EHP Payments made during such period and (h) to the extent not included in the foregoing and added back in the calculation of Consolidated EBITDAX, any other cash charge that reduces the earnings of the Borrower and its Restricted Subsidiaries, except (i) in the case of each of the forgoing clauses in this definition, to the extent financed with proceeds of any Qualified Equity Interests (excluding any Cure Amount) and (ii) in the case of the foregoing clauses (a), (b), (e), (f)(i) (except to the extent made in reliance on Section 10.5(k)) and (g), to the extent financed with long term Indebtedness permitted in the Credit Documents (other than the Loans).

"Free Cash Flow Utilizations" shall mean each of the following transactions that occur in reliance on clause (d) of the definition of "Restricted Payment Conditions": (a) Investments made in reliance on Section 10.5(i), (b) Restricted Payments made in reliance on Section 10.6(i) and (c) repayments of Other Debt and other transactions contemplated by Section 10.7(a)(iii).

"Fronting Lender" shall mean Credit Suisse Loan Funding LLC.

"FSHCO" shall mean any Domestic Subsidiary substantially all of the assets of which constitute the Equity Interests of CFCs.

"Fund" shall mean any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course.

"GAAP" shall mean generally accepted accounting principles in the United States of America, as in effect from time to time; provided, however, that (i) if the Borrower notifies the Administrative Agent that the Borrower requests that any provision hereof be applied in a way to eliminate the effect of any change occurring after the Closing Date in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Borrower that the Majority Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith, (ii) GAAP shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any election under Accounting Standards Codification Topic No. 825 (or any other Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of the Borrower or any of its Subsidiaries at "fair value," as defined therein, and Indebtedness shall be measured at the aggregate principal amount thereof, and (iii) the accounting for operating leases and capital leases shall be determined in compliance with the definition of "Capitalized Lease".

"Governmental Authority" shall mean any nation, sovereign or government, any state, province, city, territory or other political subdivision thereof, and any entity or authority exercising executive,

legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, including a central bank or stock exchange and any port authority.

"Grantors" shall mean the Borrower, each Guarantor and each Production Sharing Entity.

"Guarantee" shall mean the Guarantee made by any Guarantor in favor of the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit C.

"Guarantee Obligations" shall mean, as to any Person, any obligation of such Person guaranteeing or intended to guarantee any Indebtedness of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including any obligation of such Person, whether or not contingent, (a) to purchase any such Indebtedness or any property constituting direct or indirect security therefor, (b) to advance or supply funds (i) for the purchase or payment of any such Indebtedness or (ii) to maintain working capital or equity capital of the primary obligor or otherwise to maintain financial condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness, (c) to purchase property, securities or services primarily for the purpose of assuring the owner of any such Indebtedness of the ability of the primary obligor to make payment of such Indebtedness or (d) otherwise to assure or hold harmless the owner of such Indebtedness against loss in respect thereof; provided, however, that the term "Guarantee Obligations" shall not include endorsements of instruments for deposit or collection in the ordinary course of business or customary and reasonable indemnity obligations in effect on the Closing Date or entered into in connection with any acquisition or Disposition of assets permitted under this Agreement (other than such obligations with respect to Indebtedness). The amount of any Guarantee Obligation shall be deemed to be an amount equal to the stated or determinable amount of the Indebtedness in respect of which such Guarantee Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by such Person in good faith.

"Guarantors" shall mean (a) each Restricted Subsidiary listed on Schedule 1.1(c) that becomes a party to the Guarantee on the Closing Date (except to the extent such subsidiary is released from its Guarantee in accordance with the terms hereof); provided that, for the avoidance of doubt, each Restricted Subsidiary listed on Schedule 1.1(c) shall be required to become a party to the Guarantee on the Closing Date (other than (x) an Excluded Subsidiary or (y) a Production Sharing Entity for so long as such Subsidiary is party to a Production Sharing Contract (except, in each case, to the extent provided below)) and (b) each other Restricted Subsidiary (other than (x) an Excluded Subsidiary or (y) a Production Sharing Entity for so long as such Subsidiary is party to a Production Sharing Contract (except, in each case, to the extent provided below)) that becomes a party to the Guarantee after the Closing Date pursuant to Section 9.11 or otherwise; provided that, for the avoidance of doubt, the Borrower in its sole discretion may cause any Restricted Subsidiary that is not required to be a Guarantor hereunder or pursuant to the Security Documents to provide a Guarantee by causing such Restricted Subsidiary to execute a Guarantee and such Restricted Subsidiary shall be a Guarantor and Credit Party for all purposes hereunder except to the extent released from such Guarantee in accordance with the terms hereof.

"Hazardous Materials" shall mean (a) any petroleum or petroleum products, natural gas or natural gas liquids, radioactive materials, friable asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, and radon gas and (b) any chemicals, materials, substances, or wastes defined as or included in the definition of or otherwise classified or regulated as "hazardous substances", "hazardous waste", "hazardous materials", "extremely hazardous waste", "restricted hazardous waste", "toxic substances", "toxic pollutants", "contaminants", or "pollutants", or words of similar import, under any applicable Environmental Law or that would otherwise reasonably be expected to result in liability under any Environmental Law.

"Hedge Agreements" shall mean (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, future contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, total return swap, credit spread transaction, repurchase transaction, reserve repurchase transaction, securities lending transaction, weather index transaction, spot contracts, fixed-price physical delivery contracts with a tenor over 90 days, whether or not exchange traded, or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., or any International Foreign Exchange Master Agreement (any such master agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement. Notwithstanding the foregoing, agreements or obligations to physically sell any commodity at any index-based price shall not be considered Hedge Agreements.

"Hedging Obligations" shall mean, with respect to any Person, the obligations of such Person under Hedge Agreements.

"Highest Lawful Rate" shall mean, with respect to each Lender, the maximum nonusurious interest rate, if any, that at any time or from time to time may be contracted for, taken, reserved, charged or received on the Loans under laws applicable to such Lender which are presently in effect or, to the extent allowed by law, under such applicable laws which may hereafter be in effect and which allow a higher maximum nonusurious interest rate than applicable laws allow as of the date hereof.

"Hydrocarbon Interests" shall mean all rights, titles, interests and estates now or hereafter acquired in and to oil and gas leases, oil, gas and mineral leases, or other liquid or gaseous hydrocarbon leases, mineral fee interests, overriding royalty and royalty interests, net profit interests and production payment interests, including any reserved or residual interests of whatever nature.

"Hydrocarbons" shall mean oil, gas, casinghead gas, drip gasoline, natural gasoline, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons and all products refined or separated therefrom.

"Immaterial Subsidiary" shall mean any Subsidiary that is not a Material Subsidiary.

"Impacted Interest Period" shall have the meaning assigned to such term in the definition of "LIBOR Rate."

"Indebtedness" of any Person shall mean (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments, (c) the deferred purchase price of assets or services that in accordance with GAAP would be included as a liability on the balance sheet of such Person (other than (i) any earn-out obligation until such obligation becomes a liability on the balance sheet of such Person in accordance with GAAP, and (ii) obligations resulting under firm transportation contracts, supply agreements, take or pay contracts (including in connection with the purchase of power from solar power projects) or other similar agreements entered into in the ordinary course of business), (d) the maximum amount (after giving effect to any prior drawings or reductions which may have been reimbursed) of all outstanding letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds, performance bonds and similar instruments issued or created by or for the account of such Person, (e) the principal component of

all obligations in respect of Capitalized Leases of such Person, (f) net Hedging Obligations of such Person, (g) obligations to deliver commodities, goods or services, including Hydrocarbons, in consideration of one or more advance payments received by such Person, made more than one (1) month in advance of the month in which the commodities, good or services are to be delivered, other than obligations relating to net oil, natural gas liquids or natural gas balancing arrangements arising in the ordinary course of business, (h) all indebtedness (excluding prepaid interest thereon) of any other Person secured by any Lien on any property owned by such Person, whether or not such indebtedness has been assumed by such Person or is limited in recourse, (i) the amount of all obligations of such Person with respect to the redemption, repayment or other repurchase in respect of Disqualified Stock (excluding accrued dividends that have not increased the liquidation preference of such Disqualified Stock), (j) the undischarged balance of any Production Payments and Reserve Sales created by such Person or for the creation of which such Person directly or indirectly received payment and (k) without duplication, all Guarantee Obligations of such Person in respect of the items described in clauses (a) through (j) above; provided that Indebtedness shall not include (i) trade and other ordinary-course payables (including payroll) and accrued expenses (which are not more than 90 days past the due date of payment unless the subject of a good faith dispute), (ii) deferred or prepaid revenues, (iii) purchase price holdbacks in respect of a portion of the purchase price of an asset to satisfy warranty or other unperformed obligations of the respective seller, (iv) in the case of the Borrower and its Restricted Subsidiaries, all intercompany Indebtedness made in the ordinary course of business, (v) guaranties, bonds and surety obligations incurred in the ordinary course of business and required by governmental requirements in connection with the exploration, development or operation of Oil and Gas Properties, (vi) in-kind obligations relating to net oil, natural gas liquids or natural gas balancing positions arising in the ordinary course of business, (vii) any obligation in respect of a Farm-In Agreement or similar arrangement whereby such Person agrees to pay all or a share of the drilling, completion or other expenses of an exploratory or development well (which agreement may be subject to a maximum payment obligation, after which expenses are shared in accordance with the working or participation interest therein or in accordance with the agreement of the parties) or perform the drilling, completion or other operation on such well in exchange for an ownership interest in an oil or gas property, (viii) operating leases or sale and leaseback transactions (except any resulting obligations under any Capitalized Lease), (ix) any Guarantee Obligations incurred in the ordinary course of business to the extent not guaranteeing Indebtedness, (x) prepayments for gas and crude oil production not in excess of $20,000,000 in the aggregate at any time outstanding and (xi) obligations to deliver commodities or pay royalties or other payments in connection with and obligations arising from net profits interests, working interests, overriding, non-participating or other royalty interests or similar real property interests. The amount of any net Hedging Obligations on any date shall be deemed to be the Swap Termination Value thereof as of such date. The amount of Indebtedness of any Person for purposes of clause (g) above shall be deemed to be equal to the lesser of (i) the aggregate unpaid amount of such Indebtedness and (ii) the fair market value of the property encumbered thereby as determined by such Person in good faith. Notwithstanding anything in this definition to the contrary, Indebtedness shall be calculated without giving effect to the effects of Financial Accounting Standards Board Accounting Standards Codification 815 and related interpretations to the extent such effects would otherwise increase or decrease an amount of Indebtedness for any purpose hereunder as a result of accounting for any embedded derivatives created by the terms of such Indebtedness.

"Indemnified Liabilities" shall have the meaning provided in Section 13.5(b).

"Indemnified Taxes" shall mean (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower or any Guarantor under any Credit Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnitees" shall have the meaning provided in Section 13.5(b).

"Industry Investments" shall mean Investments and/or expenditures made in the ordinary course of, and of a nature that is or shall have become customary in, the Oil and Gas Business as a means of actively engaging therein through agreements, transactions, interests or arrangements that permit one to share risks or costs, comply with regulatory requirements regarding local ownership or satisfy other objectives customarily achieved through the conduct of Oil and Gas Business jointly with third parties, including: (1) ownership interests (directly or through equity) in Oil and Gas Properties or gathering, transportation, processing, or related systems; and (2) Investments and/or expenditures in the form of or pursuant to operating agreements, processing agreements, Farm-In Agreements, Farm-Out Agreements, development agreements, area of mutual interest agreements, unitization agreements, pooling arrangements, joint bidding agreements, service contracts, joint venture agreements, partnership agreements (whether general or limited), and other similar agreements (including for limited liability companies) with third parties.

"Initial Loans" shall have the meaning provided in Section 2.1(a).

"Initial Maturity Date" shall mean the date that is the fifth anniversary after the Closing Date, or, if such anniversary is not a Business Day, the Business Day immediately following such anniversary.

"Initial Reserve Report" shall mean the reserve engineers' report evaluating the Proved Developed Producing Reserves of the Credit Parties prepared by the internal engineers of the Borrower as of December 1, 2020, delivered to the Administrative Agent prior to the date hereof.

"Intercompany Note" shall mean a promissory note substantially in the form of Exhibit K hereto.

"Interest Period" shall mean, with respect to any Loan, the interest period applicable thereto, as determined pursuant to Section 2.9.

"Interpolated Rate" shall have the meaning assigned to such term in the definition of "LIBOR Rate."

"Investment" shall have the meaning provided in Section 10.5.

"Investment Grade Rating" shall mean a rating equal to or higher than Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by S&P, or an equivalent rating by any other rating agency selected by the Borrower.

"IRS" shall mean the United States Internal Revenue Service.

"ISDA Definitions" shall mean the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

"Junior DIP Facility" shall have the meaning provided in the recitals to this Agreement.

"Junior Lien" shall mean a Lien on the Collateral that is subordinated to the Liens granted under the Credit Documents pursuant to a Junior Lien Intercreditor Agreement (it being understood that Junior Liens are not required to be *pari passu* with other Junior Liens, and that Indebtedness secured by Junior Liens may have Liens that are senior in priority to, or *pari passu* with, or junior in priority to, other Liens constituting Junior Liens).

"Junior Lien Intercreditor Agreement" shall mean a customary intercreditor agreement in form and substance reasonably acceptable to the Administrative Agent, the Collateral Agent, the Borrower and the Majority Lenders, as it may be amended, restated, amended and restated, supplemented, extended, replaced, exchanged or otherwise modified from time to time in accordance with, and as permitted by, this Agreement, which agreement shall provide that the Liens on the Collateral securing such Indebtedness shall rank junior to the Liens on the Collateral securing the Obligations.

"Lender" shall have the meaning provided in the preamble to this Agreement.

"Lender Default" shall mean (i) the refusal (which must be given in writing and has not been retracted) or failure of any Lender to make available its portion of any incurrence of Loans, which refusal or failure is not cured within one Business Day after the date of such refusal or failure, unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied; (ii) the failure of any Lender to pay over to any Agent or any other Lender any other amount required to be paid by it hereunder within two (2) Business Days of the date when due; (iii) a Lender has notified the Borrower or the Administrative Agent in writing that it does not intend or expect to comply with any of its funding obligations, or has made a public statement to that effect with respect to its funding obligations under the Facility (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (iv) a Lender has failed, within three (3) Business Days after a written request by the Administrative Agent, to confirm in writing that it will comply with its funding obligations under the Facility (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (iv) upon receipt of such written confirmation by the Administrative Agent and the Borrower) or (v) a Distressed Person has admitted in writing that it is insolvent or such Distressed Person becomes subject to a Lender-Related Distress Event or a Bail-In Action. Any determination by the Administrative Agent that a Lender Default has occurred under any one or more of clauses (i) through (v) above shall be conclusive and binding absent manifest error, and the applicable Lender shall be deemed to be a Defaulting Lender upon delivery of written notice of such determination to the Borrower and each Lender.

"Lender-Related Distress Event" shall mean, with respect to any Lender, that such Lender or any Person that directly or indirectly controls such Lender (each, a "Distressed Person"), as the case may be, is or becomes subject to a voluntary or involuntary case with respect to such Distressed Person under any Debtor Relief Law, or a custodian, conservator, receiver or similar official is appointed for such Distressed Person or any substantial part of such Distressed Person's assets, or such Distressed Person or any Person that directly or indirectly controls such Distressed Person is subject to a forced liquidation, or such Distressed Person makes a general assignment for the benefit of creditors or is otherwise adjudicated as, or determined by any Governmental Authority having regulatory authority over such Distressed Person or its assets to be, insolvent or bankrupt; provided that a Lender-Related Distress Event shall not be deemed to have occurred solely by virtue of the ownership or acquisition of any equity interests in any Lender or any Person that directly or indirectly controls such Lender by a Governmental Authority or an instrumentality thereof, so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender.

"Leverage Ratio Covenant" shall mean the covenant of the Borrower set forth in Section 10.11(a).

"LIBOR Loan" shall mean any Loan bearing interest at a rate determined by reference to the Adjusted LIBOR Rate (other than an ABR Loan bearing interest by reference to the Adjusted LIBOR Rate by virtue of clause (c) of the definition of ABR).

"LIBOR Rate" shall mean, subject to the implementation of a Benchmark Replacement in accordance with Section 2.10(d), for any Interest Period with respect to any Borrowing of a LIBOR Loan, the London interbank offered rate as administered by the ICE Benchmark Administration (or any other Person that takes over the administration of such rate) for Dollars for a period equal in length to such Interest Period as displayed on the applicable Bloomberg screen page that displays such rate (or, in the event that such rate does not appear on such Bloomberg page or screen, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion; in each case, the "Screen Rate") at approximately 11:00 AM London time, two (2) Business Days prior to the commencement of such Interest Period; provided that if the Screen Rate shall not be available at such time for such Interest Period (an "Impacted Interest Period") with respect to Dollars, then the LIBOR Rate shall be the Interpolated Rate at such time; provided, further that if the Screen Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement. "Interpolated Rate" shall mean, at any time, the rate per annum (rounded to the same number of decimals as the Screen Rate) determined by the Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the Screen Rate for the longest period (for which that Screen Rate is available in Dollars) that is shorter than the Impacted Interest Period and (b) the Screen Rate for the shortest period (for which that Screen Rate is available in Dollars) that exceeds the Impacted Interest Period, in each case, at such time. Notwithstanding the foregoing, (x) unless otherwise specified in any amendment to this Agreement entered into in accordance with Section 2.10(d), in the event that a Benchmark Replacement with respect to the LIBOR Rate is implemented, then all references herein to the LIBOR Rate shall be deemed references to such Benchmark Replacement and (y) in no event shall the LIBOR Rate (including any Benchmark Replacement with respect thereto) be less than one percent (1.00%).

"Lien" shall mean, with respect to any asset, (a) any mortgage, preferred mortgage, deed of trust, lien, notice of claim of lien, hypothecation, pledge, charge, security interest or similar encumbrance in or on such asset, (b) production payments and the like payable out of Oil and Gas Properties or (c) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset; provided that in no event shall an operating lease be deemed to be a Lien under GAAP.

"Liquidity" shall mean, as of any date of determination, the sum of (a) the Available Commitment on such date plus (b) the aggregate amount of Unrestricted Cash and cash equivalents of the Borrower and the Grantors at such date (provided, that solely for purposes of Section 6(q), "Liquidity" as of the Closing Date shall include the aggregate amount of Unrestricted Cash and cash equivalents of the Borrower and its Restricted Subsidiaries).

"Loan" shall mean each Initial Loan and each Extended Loan made by any Lender hereunder.

"Majority Class Lenders" shall mean, at any date, (a) with respect to Initial Loans, Non-Defaulting Lenders having or holding a majority of the outstanding principal amount of the Initial Loans in the aggregate at such date and (b) with respect to Extended Loans, Non-Defaulting Lenders having or holding a majority of the outstanding principal amount of the Extended Loans in the aggregate at such date.

"Majority Lenders" shall mean, at any date, Non-Defaulting Lenders having or holding a majority of the outstanding principal amount of the Loans in the aggregate at such date.

"Manufactured (Mobile) Home" shall have the meaning assigned to such term in the applicable Flood Insurance Regulation.

"Margin Stock" shall have the meaning assigned to such terms in Regulation U.

"Master Agreement" shall have the meaning assigned to such term in the definition of "Hedge Agreements."

"Material Adverse Effect" shall mean a circumstance or condition affecting the business, assets, operations, properties or financial condition of the Borrower and the Restricted Subsidiaries, taken as a whole, that, individually or in the aggregate, would materially adversely affect (a) the business, assets, operations, properties or financial condition of the Borrower and the other Credit Parties, taken as a whole (other than as a result of the events leading up to, directly arising from, or direct effects of, the commencement or continuance of the Chapter 11 Cases), (b) the ability of the Borrower and the other Credit Parties, taken as a whole, to perform their material obligations under the Credit Documents, or (c) the rights and remedies of the Agents and the Lenders under the Credit Documents; provided that no event, circumstance, development, change, occurrence or effect to the extent resulting from, arising out of, or relating to the COVID-19 pandemic shall be deemed to constitute, or shall be taken into account in determining whether there has been, a Material Adverse Effect to the extent that such event, circumstance, development, change, occurrence or effect, as applicable, has been disclosed in writing to the Administrative Agent and the Lenders.

"Material Indebtedness" shall mean (i) the EHP Notes, (ii) the First Lien Exit Facility Indebtedness and (iii) any other Indebtedness (other than the Loans) of any one or more of the Borrower or any Restricted Subsidiary in an aggregate principal amount exceeding $50,000,000.

"Material Real Property" shall mean, at any date of determination, any (x) Specified Properties, and (y) other owned or leased surface real property interests or other real property interests (other than Specified Properties) with a fair market value, as reasonably estimated by the Borrower, in excess of $5,000,000 individually and $7,500,000 in the aggregate for all such real property interests, but excluding, in the case of this clause (y), Excluded Assets.

"Material Subsidiary" shall mean, at any date of determination, (i) each wholly-owned (directly or indirectly) Restricted Subsidiary of the Borrower such that the Consolidated Total Assets of the Immaterial Subsidiaries (when combined with the assets of each such Subsidiary's Subsidiaries, after eliminating intercompany obligations) at the last day of the Test Period for which financial statements have been delivered, or required to be delivered, pursuant to Section 9.1(a) or Section 9.1(b) are equal to or less than 2.50% of the Consolidated Total Assets of the Borrower and the Restricted Subsidiaries (other than the EHP Entities prior to the EHP Discharge Date) at such date, determined in accordance with GAAP, (ii) each Subsidiary of the Borrower that owns Specified Properties, and (iii) each Subsidiary that guarantees Material Indebtedness of the Borrower and its Restricted Subsidiaries other than the EHP Notes.

"Maturity Date" shall mean, (a) with respect to the Initial Loans, the Initial Maturity Date and (b) with respect to any Extended Loans, the final maturity date as specified in the applicable Extension Offer, or, if any such date is not a Business Day, the Business Day immediately following such date.

"Minimum Extension Condition" shall have the meaning assigned to such term in Section 2.14(b).

"Minority Investment" shall mean any Person (other than a Subsidiary) in which the Borrower or any Restricted Subsidiary owns Equity Interests.

"Moody's" shall mean Moody's Investors Service, Inc. or any successor by merger or consolidation to its business.

"Mortgage" shall mean a mortgage or a deed of trust, deed to secure debt, trust deed, assignment of as-extracted collateral, fixture filing or other security document entered into by the owner of a Mortgaged Property and the Collateral Agent for the benefit of the Secured Parties in respect of that Mortgaged Property, substantially in the form of Exhibit D (with such changes thereto as may be necessary to account for local law matters) or otherwise in such form as agreed between the Borrower and the Collateral Agent; provided, that any Mortgage encumbering solely Oil and Gas Properties shall exclude any Building or Manufactured (Mobile) Home (including, for the avoidance of doubt, the contents thereof) that is located on any such Oil and Gas Property covered by (or intended to be covered by) such Mortgage.

"Mortgaged Property" shall mean, at any time, all Specified Properties and all Material Real Property with respect to which a Mortgage is required to be granted and/or which are required to be subject to an Acceptable Security Interest under the Credit Documents, including under Section 6(f), Section 9.11 and Section 9.13 of this Agreement; provided, that (x) Mortgaged Property consisting of Specified Properties shall exclude any Building or Manufactured (Mobile) Home (including, for the avoidance of doubt, the contents thereof) that is located on any Specified Property covered by (or intended to be covered by) a Mortgage and is located in a Special Flood Hazard Area and (y) Mortgaged Property (other than Specified Properties) shall exclude any Building or Manufactured (Mobile) Home (including, for the avoidance of doubt, the contents thereof) that is located on any Material Real Property (other than any Specified Property) covered by (or intended to be covered by) a Mortgage and is located in a Special Flood Hazard Area with respect to which the Majority Lenders reasonably determine that (i) the estimated value of such Building or Manufactured (Mobile) Home (and the contents thereof) is not (and in the future is not expected to be) material in relation to the aggregate value of the Collateral and (ii) the time or expense of obtaining a grant of a security interest in such Building or Manufactured (Mobile) Home (and the contents thereof) outweighs the benefits thereof.

"Multiemployer Plan" shall mean a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"Necessary Cure Amount" shall have the meaning provided in Section 11.14(a)(iii).

"Net Cash Proceeds" shall mean (a) with respect to any Disposition, the cash proceeds thereof (including cash proceeds subsequently received (as and when received) in respect of noncash consideration initially received), net of, in respect of the Borrower and its Restricted Subsidiaries (i) selling expenses (including reasonable broker's fees or commissions, legal, accounting and investment banking fees and expenses, title insurance premiums, survey costs, transfer and similar taxes and the Borrower's good faith estimate of income taxes paid or payable in connection with such sale), (ii) amounts provided as a reserve, in accordance with GAAP, against any liabilities under any indemnification obligations or purchase price adjustment associated with such Disposition (provided that, to the extent and at the time any such amounts are released from such reserve, such amounts shall constitute Net Cash Proceeds), and (iii) the principal amount, premium or penalty, if any, interest and other amounts on any Indebtedness permitted hereunder that is secured by a Lien permitted hereunder (other than any Lien pursuant to a Security Document) on the asset disposed of in such Disposition and required to be repaid with such proceeds (other than any such Indebtedness assumed by the purchaser of such asset), (b) with respect to any Casualty Event, the cash proceeds received pursuant to any casualty insurance policy in respect of a covered loss thereunder of any assets of the Borrower or any of its Restricted Subsidiaries, net of any actual out-of-pocket costs and expenses incurred by the Borrower or any of its Restricted Subsidiaries in connection with the adjustment, settlement or collection of any claims of the Borrower or the applicable Restricted Subsidiary in respect thereof, and (c) with respect to any issuance or incurrence of Indebtedness, the cash proceeds thereof, net of all taxes and attorneys' fees, accountants' fees, underwriters' or placement agents' fees, listing fees,

commissions and brokerage, consultant and other customary fees and charges actually incurred by the Borrower and its Restricted Subsidiaries in connection with such issuance.

"Non-Consenting Lender" shall have the meaning provided in Section 13.7(b).

"Non-Defaulting Lender" shall mean and include each Lender other than a Defaulting Lender.

"Notes" shall mean the promissory notes of the Borrower described in Section 2.5(e) and being substantially in the form of Exhibit H, together with all amendments, modifications, replacements, extensions and rearrangements thereof.

"Notice of Borrowing" shall mean a request of the Borrower in accordance with the terms of Section 2.3 and substantially in the form of Exhibit B or such other form as shall be approved by the Administrative Agent (acting reasonably).

"Notice of Conversion or Continuation" shall have the meaning provided in Section 2.6(a).

"NYFRB" shall mean the Federal Reserve Bank of New York.

"Obligations" shall mean all advances to, and debts, liabilities, obligations, covenants and duties of, any Credit Party arising under any Credit Document or otherwise with respect to any Loan, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest, premiums and fees that accrue after the commencement by or against any Credit Party or any Affiliate thereof in any proceeding under any bankruptcy or insolvency law naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. Without limiting the generality of the foregoing, the Obligations of the Credit Parties under the Credit Documents (and any of their Restricted Subsidiaries to the extent they have obligations under the Credit Documents) include the obligation (including Guarantee Obligations) to pay principal, interest, the Applicable Premium, charges, expenses, fees, attorney costs, indemnities and other amounts payable by any Credit Party under any Credit Document.

"OFAC" shall mean the Office of Foreign Assets Control of the U.S. Department of the Treasury.

"Oil and Gas Business" shall mean:

(a) the business of acquiring, exploring, exploiting, developing, producing, operating and disposing of interests in oil, natural gas, natural gas liquids, liquefied natural gas and other Hydrocarbons and mineral properties or products produced in association with any of the foregoing;

(b) the business of gathering, marketing, distributing, treating, processing, storing, refining, selling and transporting of any production from interests in oil, natural gas, natural gas liquids, liquefied natural gas and other Hydrocarbons and mineral properties or products produced in association therewith; and the marketing of oil, natural gas, natural gas liquids, liquefied natural gas and other Hydrocarbons and minerals obtained from unrelated Persons; and

(c) any business or activity relating to, arising from, or necessary, appropriate, incidental or ancillary to the activities described in the foregoing clauses (a) and (b) of this definition.

"Oil and Gas Properties" shall mean (a) Hydrocarbon Interests, (b) the properties now or hereafter pooled or unitized with Hydrocarbon Interests, (c) all presently existing or future unitization agreements, pooling agreements and declarations of pooled or unitized units and the units created thereby (including all units created under orders, regulations and rules of any Governmental Authority) which may affect all or any portion of any Hydrocarbon Interests, (d) all operating agreements, contracts and other agreements, including Production Sharing Contracts and other production sharing contracts and agreements, which relate to any Hydrocarbon Interests or the production, sale, purchase, exchange or processing of Hydrocarbons from or attributable to such Hydrocarbon Interests, (e) all Hydrocarbons in and under and which may be produced and saved or attributable to Hydrocarbon Interests, including all oil in tanks, and all rents, issues, profits, proceeds, products, revenues and other incomes from or attributable to Hydrocarbon Interests, (f) all tenements, hereditaments, appurtenances and properties in any manner appertaining, belonging, affixed or incidental to Hydrocarbon Interests and (g) all properties, rights, titles, interests and estates described or referred to above, including any and all property, real or personal, now owned or hereafter acquired and situated upon, used, held for use or useful in connection with the operating, working or development of any Hydrocarbon Interests or property (excluding drilling rigs, automotive equipment, rental equipment or other personal property which may be on such premises for the purpose of drilling a well or for other similar temporary uses) and including any and all oil wells, gas wells, injection wells or other wells, structures, fuel separators, liquid extraction plants, plant compressors, pumps, pumping units, field gathering systems, gas processing plants and pipeline systems, power and cogeneration facilities, steam flood facilities and any related infrastructure to any thereof, tanks and tank batteries, fixtures, valves, fittings, machinery and parts, engines, boilers, meters, apparatus, equipment, appliances, tools, implements, cables, wires, towers, casing, tubing and rods, surface leases, rights-of-way, easements and servitudes together with all additions, substitutions, replacements, accessions and attachments to any and all of the foregoing.

"Ongoing Hedges" shall have the meaning provided in Section 10.10(a).

"Organization Documents" shall mean (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

"Other Connection Taxes" shall mean, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced under any Credit Document, or sold or assigned an interest in any Loan, Commitment or any other interest under any Credit Document).

"Other Debt" shall have the meaning provided in Section 10.7(a).

"Other Taxes" shall mean all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Credit Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 13.7(a)).

"Overnight Rate" shall mean, for any day, the greater of (a) the Federal Funds Effective Rate and (b) an overnight rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

"Participant" shall have the meaning provided in Section 13.6(c)(i).

"Participant Register" shall have the meaning provided in Section 13.6(c)(ii).

"Patriot Act" shall have the meaning provided in Section 13.18.

"Payment in Full" shall mean (a) prior to the funding of the Initial Loans on the Closing Date, the termination of all Commitments and (b) from and after the funding of the Initial Loans on the Closing Date, the payment in full in cash of all Loans, together with all accrued and unpaid interest thereon, all fees and all other Obligations incurred hereunder and under each other Credit Document (other than contingent or indemnification obligations not then due and payable), including the Applicable Premium.

"PBGC" shall mean the Pension Benefit Guaranty Corporation established pursuant to Section 4002 of ERISA, or any successor thereto.

"Pension Plan" shall mean any "employee pension benefit plan" (as such term is defined in Section 3(2) of ERISA), other than a Multiemployer Plan, that is subject to Title IV of ERISA and is sponsored or maintained by any Credit Party or any ERISA Affiliate or to which any Credit Party or any ERISA Affiliate contributes or has an obligation to contribute, or in the case of a multiple employer or other plan described in Section 4064(a) of ERISA, has made contributions at any time during the immediately preceding six (6) years.

"Permitted Acquisition" shall mean the acquisition, by merger or otherwise, by the Borrower or any of the Restricted Subsidiaries of assets (including any assets constituting a business unit, line of business or division) or Equity Interests, so long as (a) if such acquisition involves the acquisition of Equity Interests of a Person that upon such acquisition would become a Subsidiary, such acquisition shall result in the issuer of such Equity Interests becoming a Restricted Subsidiary and, to the extent required by Section 9.11, a Guarantor or a Grantor; (b) such acquisition shall result in the Collateral Agent, for the benefit of the Secured Parties, being granted a security interest in any Equity Interests or any assets so acquired to the extent required by Section 9.11; (c) immediately after giving effect to such acquisition, the Restricted Payment Conditions shall have been satisfied; and (d) immediately after giving effect to such acquisition, the Borrower and its Restricted Subsidiaries shall be in compliance with Section 10.13.

"Permitted Additional Debt" shall mean any unsecured senior, unsecured senior subordinated or unsecured subordinated loans or notes issued by the Borrower or a Guarantor after the Closing Date (a) the terms of which do not provide for any scheduled repayment, mandatory redemption or sinking fund obligation prior to the 181st day after the Final Maturity Date in effect at the time of incurrence of such Permitted Additional Debt (other than customary offers to purchase upon a change of control, AHYDO payments, customary asset sale or casualty or condemnation event prepayments and customary acceleration rights after an event of default prior to the 181st day after the Final Maturity Date in effect at the time of incurrence of such Permitted Additional Debt) and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of the Facility, if applicable, (b) if such Indebtedness is subordinated in right of payment to the Obligations, the terms of such Indebtedness provide for customary subordination of such Indebtedness to the Obligations and is subject to a Subordination Agreement, (c) no Subsidiary of the Borrower (other than a Guarantor) is a borrower or guarantor with respect to such Indebtedness, (d) that does not restrict, by its terms, the prepayment or repayment of the Obligations, (e) the covenants, events of default, guarantees and other terms of which (other than interest rate, fees, funding

discounts and redemption or prepayment premiums reasonably determined by the Borrower to be "market" rates, fees, discounts and premiums at the time of issuance or incurrence of any such Indebtedness), taken as a whole, shall be customary for high yield debt securities and are determined by the Borrower to be no more restrictive on or less favorable to the Borrower and its Restricted Subsidiaries than the terms of this Agreement (as in effect at the time of such issuance or incurrence), taken as a whole, except to the extent this Agreement is amended to incorporate any terms more restrictive than this Agreement and (f) shall not include any financial maintenance covenants nor prohibit prior repayment or prepayment of the Loans; provided that a certificate of an Authorized Officer of the Borrower delivered to the Administrative Agent at least five (5) Business Days prior to the incurrence or issuance of such Indebtedness (or such later date as may be acceptable to the Majority Lenders), together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirements shall be conclusive evidence that such terms and conditions satisfy the foregoing requirements.

"Permitted EHP Payments" shall mean each payment of cash from the Borrower or a Grantor to EHP Topco or its Subsidiaries, regardless of whether such payment is structured as an Investment, contractual payment or otherwise, which payment will be permitted pursuant to Section 10.18(a) so long as, (i) as of any date of determination, on a *pro forma* basis for such Permitted EHP Payment: (a) the aggregate amount of such payments in any fiscal quarter does not exceed $10,000,000 for such fiscal quarter (with unused amounts in any fiscal quarter being carried over to the immediately succeeding fiscal calendar quarter), (b) no Default, Event of Default or, if prior to the Discharge of Priority Lien Obligations, Borrowing Base Deficiency shall have occurred and be continuing, and (c) the Borrower shall be in compliance with the Financial Performance Covenants; provided that clause (c) above shall not be tested (and shall be deemed satisfied) until the date of delivery (or date of required delivery) of the financial statements required to be delivered under Section 6.1(b) for the Test Period ending on March 31, 2021, or (ii) if the Borrower reasonably determines in good faith that such payment is in accordance with industry standards for a prudent owner and operator and is necessary for (a) health and safety reasons, (b) to prevent a shutdown of or a Casualty Event related to the facilities of the EHP Entities or (c) to restore the functioning of such facilities in the event of an unforeseen shutdown or Casualty Event.

"Permitted Intercompany Activities" shall mean any transactions between or among the Borrower and its Subsidiaries (for the avoidance of doubt, including Unrestricted Subsidiaries) that are entered into in the ordinary course of business of the Borrower and its Subsidiaries and, in the good faith judgment of the Borrower, are necessary or advisable in connection with the ownership or operation of the business of the Borrower and its Subsidiaries, including (i) payroll, cash management, purchasing, insurance, indemnity and liability sharing and hedging arrangements (other than the hedging arrangements of any Unrestricted Subsidiaries), (ii) management, technology and licensing arrangements, but excluding other payments to the EHP Entities and (iii) purchase and sale of Hydrocarbons in connection with marketing activities.

"Permitted Investments" shall mean:

(1) United States dollars;

(2) securities issued or directly and fully and unconditionally guaranteed or insured by the United States government or any agency or instrumentality thereof the securities of which are unconditionally guaranteed as a full faith and credit obligation of such government with maturities of twenty-four (24) months or less from the date of acquisition;

(3) certificates of deposit, time deposits and eurodollar time deposits with maturities of twenty-four (24) months or less from the date of acquisition, demand deposits, bankers'

acceptances with maturities not exceeding three (3) years and overnight bank deposits, in each case with any domestic or foreign commercial bank having capital and surplus of not less than $250,000,000 in the case of U.S. banks and $100,000,000 (or the United States dollar equivalent as of the date of determination) in the case of non-U.S. banks (any such bank in the forgoing an "Approved Bank");

(4) repurchase obligations for underlying securities of the types described in clauses (2) and (3) above or clauses (6) and (7) below entered into with any financial institution or recognized securities dealer meeting the qualifications specified in clause (3) above;

(5) commercial paper and variable or fixed rate notes issued by an Approved Bank (or by the parent company thereof) or any variable or fixed rate note issued by, or guaranteed by, a corporation by, a corporation (other than structured investment vehicles and other than corporations used in structured financing transactions) rated at least A-2 (or the equivalent thereof) by S&P or at least P-2 (or the equivalent thereof) or better by Moody's (or, if at any time neither Moody's nor S&P shall be rating such obligations, an equivalent rating from another nationally recognized statistical rating agency selected by the Borrower) and in each case maturing within twelve (12) months after the date of acquisition thereof;

(6) marketable short-term money market and similar liquid funds having a rating of at least P-2 (or the equivalent thereof) or A-2 (or the equivalent thereof) from either Moody's or S&P, respectively (or, if at any time neither Moody's nor S&P shall be rating such obligations, an equivalent rating from another nationally recognized statistical rating agency selected by the Borrower);

(7) readily marketable direct obligations issued or fully guaranteed by any state, commonwealth or territory of the United States or any political subdivision or taxing authority thereof; provided, that each such readily marketable direct obligation shall have an Investment Grade Rating from either Moody's or S&P or Moody's (or the equivalent thereof) (or, if at any time neither Moody's nor S&P or Moody's (or the equivalent thereof) shall be rating such obligations, an equivalent rating from another nationally recognized statistical rating agency selected by the Borrower) with maturities of thirty-six (36) months or less from the date of acquisition;

(8) Investments with average maturities of twelve (12) months or less from the date of acquisition in money market funds rated AAA- (or the equivalent thereof) or better by S&P or Aaa3 (or the equivalent thereof) or better by Moody's (or, if at any time neither Moody's nor S&P shall be rating such obligations, an equivalent rating from another nationally recognized statistical rating agency selected by the Borrower); and

(9) investment funds investing substantially all of their assets in securities of the types de-scribed in clauses (1) through (8) above.

"Permitted Liens" shall mean:

(a) Liens for taxes, assessments or governmental charges or claims not yet overdue for a period of more than 30 days or that are being contested in good faith and by appropriate proceedings diligently conducted, for which appropriate reserves have been established in accordance with GAAP (or in the case of any Foreign Subsidiary, the comparable accounting principles in the relevant jurisdiction), or for property taxes on property that the Borrower or one

of its Subsidiaries has determined to abandon if the sole recourse for such tax, assessment, charge or claim is to such property;

(b) Liens in respect of property or assets of the Borrower or any of the Restricted Subsidiaries imposed by law, such as landlords', sublandlords', vendors', operators', suppliers', carriers', warehousemen's, repairmen's, construction contractors', workers', materialmen's and mechanics' Liens and other similar Liens arising in the ordinary course of business or incident to the exploration, development, operation or maintenance of Oil and Gas Properties, in each case so long as such Liens arise in the ordinary course of business and do not individually or in the aggregate have a Material Adverse Effect and (i) are not overdue for a period of more than sixty (60) days or (ii) are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP;

(c) Liens arising from judgments or decrees in circumstances not constituting an Event of Default under Section 11.9;

(d) Liens incurred or pledges or deposits made in connection with workers' compensation, unemployment insurance and other types of social security, old age pension, public liability obligations or similar legislation, and deposits securing liabilities to insurance carriers under insurance or self-insurance arrangements in respect of such obligations, or to secure (or secure the Liens securing) liability for reimbursement or indemnification obligations of (including obligations in respect of letters of credit or bank guarantees for the benefit of) insurance carriers providing property, casualty or liability insurance to the Borrower or any Subsidiary;

(e) deposits and other Liens securing (or securing the bonds or similar instruments securing) the performance of tenders, statutory obligations, plugging and abandonment or decommissioning obligations, surety, stay, customs and appeal bonds, bids, leases, government contracts, trade contracts, performance and return-of-money bonds and other similar obligations (including letters of credit issued in lieu of such bonds or to support the issuance thereof) incurred in the ordinary course of business or in a manner consistent with past practice or industry practice including those incurred to secure health, safety and environmental obligations in the ordinary course of business, or otherwise constituting Investments permitted by Section 10.5;

(f) ground leases, subleases, licenses or sublicenses in respect of real property (other than any Oil and Gas Properties) on which facilities owned or leased by the Borrower or any of its Restricted Subsidiaries are located;

(g) easements, rights-of-way, restrictive covenants, licenses, restrictions (including zoning restrictions), title defects, exceptions, reservations, deficiencies or irregularities in title, encroachments, protrusions, servitudes, rights, eminent domain or condemnation rights, permits, conditions and covenants and other similar charges or encumbrances (including in any rights-of-way or other property of the Borrower or its Restricted Subsidiaries for the purpose of roads, pipelines, transmission lines, transportation lines, distribution lines for the removal of gas, oil or other minerals or timber, and other like purposes, or for joint or common use of real estate, rights of way, facilities and equipment) not (i) interfering in any material respect with the business of the Borrower and its Restricted Subsidiaries, taken as a whole, (ii) securing monetary obligations or (iii) materially impairing the value of the affected Specified Properties, taken as a whole and, to the extent reasonably agreed by the Majority Lenders, any exception on the title reports issued in connection with any Specified Properties;

(h) (i) any interest or title of a lessor, sublessor, licensor or sublicensor under any lease, liens reserved in oil, gas or other Hydrocarbons, minerals, leases for bonus, royalty or rental payments and for compliance with the terms of such lease and (ii) any interest or title of a lessor, sublessor, licensor or sublicensor or secured by a lessor's, sublessor's, licensor's or sublicensor's interest under any lease, sublease, license or sublicense entered into by the Borrower or any Restricted Subsidiary in the ordinary course of business or otherwise permitted by this Agreement and not securing Indebtedness;

(i) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(j) Liens on goods or inventory the purchase, shipment or storage price of which is financed by a documentary letter of credit or bankers' acceptance issued for the account of the Borrower or any of its Restricted Subsidiaries; provided that such Lien secures only the obligations of the Borrower or such Restricted Subsidiaries in respect of such letter of credit or bankers' acceptance to the extent permitted under Section 10.1;

(k) leases, licenses, subleases or sublicenses granted to others not (i) interfering in any material respect with the business of the Borrower and its Restricted Subsidiaries, taken as a whole or (ii) securing any Indebtedness for borrowed money;

(l) Liens arising from precautionary UCC financing statement or similar filings made in respect of operating leases entered into by the Borrower or any of its Restricted Subsidiaries;

(m) Liens created in the ordinary course of business in favor of banks and other financial institutions over credit balances of any bank accounts, commodity trading accounts or other brokerage accounts of the Borrower and the Restricted Subsidiaries held at such banks or financial institutions, as the case may be, in the ordinary course of business;

(n) Liens which arise in the ordinary course of business under operating agreements (including preferential purchase rights, consents to assignment and other restraints on alienation), joint operating agreements, joint venture agreements, oil and gas partnership agreements, oil and gas leases, Farm-Out Agreements, Farm-In Agreements, division orders, contracts for the sale, gathering, transportation or exchange of oil and natural gas, unitization and pooling declarations and agreements, area of mutual interest agreements, royalty and overriding royalty agreements, reversionary interests, marketing agreements, processing agreements, net profits agreements, development agreements, gas balancing or deferred production agreements, injection, repressuring and recycling agreements, salt water or other disposal agreements, seismic or other geophysical permits or agreements, and other agreements that are usual or customary in the Oil and Gas Business and are for claims which are not delinquent or that are being contested in good faith and by appropriate proceedings for which appropriate reserves have been established to the extent required by and in accordance with GAAP; provided that any such Lien referred to in this clause does not materially impair the use of the property covered by such Lien for the purposes for which such property is held by the Borrower or any Restricted Subsidiary or materially impair the value of the affected Specified Properties, taken as a whole;

(o) Liens on pipelines, pipeline facilities and other midstream assets or facilities that arise by operation of law or other like Liens arising by operation of law in the ordinary course of business and incidental to the exploration, development, operation and maintenance of Oil and Gas Properties;

(p) (i) zoning, building, entitlement and other land use regulations by Governmental Authorities with which the normal operation of the business complies and (ii) any zoning or similar law or right reserved to or vested in any Governmental Authority to control or regulate the use of any real property that does not materially interfere with the ordinary conduct of the business of the Borrower and its Restricted Subsidiaries, taken as a whole;

(q) Liens on equipment of the Borrower or any Restricted Subsidiary granted in the ordinary course of business to the Borrower's or such Restricted Subsidiary's client at which such equipment is located;

(r) security given to a public utility or any municipality or governmental authority when required by such utility or authority in connection with the operations of that Person in the ordinary course of business;

(s) Liens arising under statutory provisions of applicable law with respect to production purchased from others; and

(t) deposits of cash with the owner or lessor of premises leased and operated by the Borrower or any of its Subsidiaries to secure the performance of the Borrower's or such Subsidiary's obligations under the terms of the lease for such premises.

"Permitted Refinancing Indebtedness" shall mean, with respect to any Indebtedness (the "Refinanced Indebtedness"), any Indebtedness issued or incurred in exchange for, or the net proceeds of which are used to modify, extend, refinance, renew, replace or refund (collectively to "Refinance" or a "Refinancing" or "Refinanced"), such Refinanced Indebtedness (or previous refinancing thereof constituting Permitted Refinancing Indebtedness); provided that (A) the principal amount (or accreted value, if applicable) of any such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Refinanced Indebtedness outstanding immediately prior to such Refinancing except by an amount equal to the unpaid accrued interest and premium thereon and other amounts paid in connection with the defeasance or discharge of such Indebtedness plus other amounts paid consisting of original issue discount or fees and expenses incurred in connection with such Refinancing, (B) the direct and contingent obligors with respect to such Permitted Refinancing Indebtedness immediately prior to such Refinancing are not changed as a result of such Refinancing (except that a Guarantor may be added as an additional obligor and except as may change pursuant to subclause (G) below), (C) other than with respect to a Refinancing in respect of Indebtedness incurred pursuant to Section 10.1(h), such Permitted Refinancing Indebtedness shall have a final maturity date equal to or later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Refinanced Indebtedness, (D) subject to clause (G) below, the terms and conditions of any such Permitted Refinancing Indebtedness, taken as a whole, are not materially less favorable to the Lenders than the terms and conditions of the Refinanced Indebtedness being Refinanced (including, if applicable, as to collateral priority and subordination, but excluding as to interest rates, fees, floors, funding discounts and redemption or prepayment premiums) or are customary for similar Indebtedness in light of current market conditions, (E) if the Refinanced Indebtedness is subordinated in right of payment to the Obligations, such Permitted Refinancing Indebtedness shall be subordinated to the Obligations, subject to a Subordination Agreement on terms no less favorable to the Secured Parties than such Refinanced Indebtedness, (F) if the Refinanced Indebtedness is incurred in reliance on Section 10.1(b)(i), such Permitted Refinancing Indebtedness shall be unsecured or, if secured, shall be subject to the First Lien/Second Lien Intercreditor Agreement and shall not be secured by any assets other than the Collateral or (y) is subject to a Junior Lien, such Permitted Refinancing Indebtedness shall be unsecured or, if secured, shall be subject to a Junior Lien Intercreditor Agreement and shall not be secured by any assets other than the Collateral and (G) if the Refinanced Indebtedness constitutes the EHP Notes,

(i) such Permitted Refinancing Indebtedness shall be required to be Indebtedness that is incurred in reliance on Section 10.1(b)(i), (c)(i), (n) or (o), (ii) the All-In-Yield with respect to such Permitted Refinancing Indebtedness shall not exceed (I) if such Permitted Refinancing Indebtedness is incurred on or prior to the date that is the three-and-a-half year anniversary of the Closing Date, the All-In- Yield with respect to the EHP Notes in effect as of the Closing Date and (I) if such Permitted Refinancing Indebtedness is incurred following the date that is the three-and-a-half year anniversary of the Closing Date, the All-In-Yield with respect to the EHP Notes in effect as of the date of such incurrence *plus* 100 bps, (iii) without prejudice to the requirements set forth in Section 10.1(f), if such Permitted Refinancing Indebtedness is incurred in reliance on Section 10.1(b)(i), (n) or (o), the EHP Entities shall become Guarantors hereof upon the incurrence of such Permitted Refinancing Indebtedness and (iv) in no event shall the proceeds of the First Lien Exit Facility be used to Refinance the EHP Notes or any Permitted Refinancing Indebtedness in respect thereof. Notwithstanding the foregoing, Permitted Refinancing Indebtedness in respect of Permitted Additional Debt must constitute Permitted Additional Debt. A certificate of an Authorized Officer of the Borrower delivered to the Administrative Agent at least five (5) Business Days prior to the incurrence or issuance of such Indebtedness (or such later date as may be acceptable to the Administrative Agent), together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Borrower has determined in good faith that such terms and conditions satisfy the requirements set forth in the definition of "Permitted Refinancing Indebtedness" shall be conclusive evidence that such terms and conditions satisfy the foregoing requirements.

"Person" shall mean any individual, partnership, joint venture, firm, corporation, limited liability company, association, trust or other enterprise or any Governmental Authority.

"Petroleum Industry Standards" shall mean the Definitions for Oil and Gas Reserves promulgated by the Society of Petroleum Engineers (or any generally recognized successor) as in effect at the time in question.

"PIK Election Period" shall have the meaning provided in Section 2.8(g).

"PIK Interest" shall mean the interest that accrues and is added to the outstanding principal balance of the Loans in accordance with Section 2.8(g), which shall thereafter be deemed principal bearing interest in accordance with Section 2.8(a) and (b), subject to Section 2.8(c).

"PIK Interest Election" shall have the meaning provided in Section 2.8(g).

"Plan" shall mean any employee benefit plan within the meaning of Section 3(3) of ERISA, that is or was within any of the preceding six plan years sponsored, maintained for or contributed to by (or to which there is or was an obligation to contribute or to make payments to) any Credit Party, or with respect to which any Credit Party has any actual or contingent liability.

"Prime Rate" shall mean the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

"Proceeding" shall have the meaning provided in Section 13.5(b).

"Production Payments and Reserve Sales" shall mean the grant or transfer by the Borrower or any of its Restricted Subsidiaries to any Person of the right to receive all or a portion of the production or the proceeds from the sale of production attributable to such properties where the holder of such interest has recourse solely to such production or proceeds of production, subject to the obligation of the grantor or transferor to operate and maintain, or cause the subject interests to be operated and maintained, in a reasonably prudent manner or other customary standard or subject to the obligation of the grantor or transferor to indemnify for environmental, title or other matters customary in the Oil and Gas Business, including any such grants or transfers.

"Production Sharing Contract" shall mean one or more contracts, agreements or similar instruments governing the sharing of production constituting Proved Reserves, on which Proved Reserves or contracts, agreements or similar instruments, a Lien cannot be granted without the consent of a third party or on which a Lien is contractually or statutorily prohibited.

"Production Sharing Entities" shall mean (i) California Resources Long Beach, Inc., a Delaware corporation, for so long as it is party to a Production Sharing Contract, (ii) Tidelands Oil Production Company, a Texas limited liability company, for so long as it is party to a Production Sharing Contract, (iii) Thums Long Beach Company, a Delaware corporation, for so long as it is party to a Production Sharing Contract, and (iv) any other Subsidiary party to any Production Sharing Contract, for so long as it is a party to a Production Sharing Contract.

"Projections" shall mean financial estimates, forecasts and other forward-looking information prepared by or on behalf of the Borrower or any of its representatives and that have been made available to any Lenders or the Administrative Agent in connection with the Transactions or the other transactions contemplated hereby.

"Proposed Acquisition" shall have the meaning provided in Section 10.10(a).

"Proved Developed Producing Reserves" shall mean oil and gas mineral interests that, in accordance with Petroleum Industry Standards, are classified as both "Proved Reserves" and "Developed Producing Reserves."

"Proved Developed Reserves" shall mean oil and gas mineral interests that, in accordance with Petroleum Industry Standards, are classified as both "Proved Reserves" and one of the following: (a) "Developed Producing Reserves" or (b) "Developed Non-Producing Reserves."

"Proved Reserves" shall mean oil and gas mineral interests that, in accordance with Petroleum Industry Standards, are classified as both "Proved Reserves" and one of the following: (a) "Developed Producing Reserves", (b) "Developed Non-Producing Reserves" or (c) "Undeveloped Reserves".

"PTE" shall mean a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"PV-9" shall mean, with respect to any Proved Reserves expected to be produced from any Specified Properties, the net present value, discounted at 9% per annum, of the future net revenues expected to accrue to the Borrower and Grantors' collective interests in such reserves during the remaining expected economic lives of such reserves, calculated in accordance with the Bank Price Deck.

"Qualified Acquisition" shall mean an acquisition or a series of related acquisitions in which the consideration paid by the Credit Parties is equal to or greater than $50,000,000.

"Qualified Disposition" shall mean a Disposition or a series of related Dispositions in which the consideration received by the Credit Parties is equal to or greater than $50,000,000.

"Qualified Equity Interests" shall mean any Equity Interests of the Borrower other than Disqualified Stock.

"Recipient" shall mean (a) any Agent or (b) any Lender, as applicable.

"Reference Time" shall mean, with respect to any setting of the then-current Benchmark, (1) if such Benchmark is USD LIBOR, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such setting, and (2) if such Benchmark is not USD LIBOR, the time determined by the Administrative Agent in its reasonable discretion.

"Refinance" shall have the meaning provided in the definition of "Permitted Refinancing Indebtedness."

"Refinanced Indebtedness" shall have the meaning assigned to such term in the definition of "Permitted Refinancing Indebtedness."

"Register" shall have the meaning provided in Section 13.6(b)(iv).

"Regulation T" shall mean Regulation T of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"Regulation U" shall mean Regulation U of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"Regulation X" shall mean Regulation X of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"Related Indemnified Person" shall mean, with respect to an Indemnitee, (1) any controlling Person or controlled Affiliate of such Indemnitee, (2) the respective directors, officers, or employees of such Indemnitee or any of its controlling Persons or controlled Affiliates and (3) the respective agents and representatives of such Indemnitee or any of its controlling Persons or controlled Affiliates, in the case of this clause (3), acting at the instructions of such Indemnitee, controlling Person or such controlled Affiliate.

"Related Party" shall mean, with respect to any Agent or any Lender, its Affiliates and the officers, directors, employees, agents, attorney-in-fact, attorneys, representatives, partners, members, trustees and advisors of such Agent or Lender and of such Agent's or Lender's Affiliates.

"Release" shall mean any release, spill, emission, discharge, disposal, leaking, pumping, pouring, dumping, emitting, migrating, emptying, injecting or leaching into, through, or from the air, surface water, groundwater, sediment, land surface or subsurface strata.

"Relevant Governmental Body" shall mean the Board or the NYFRB, or a committee officially endorsed or convened by Board or the NYFRB, or any successor thereto.

"Reportable Event" shall mean an event described in Section 4043(c) of ERISA and the regulations thereunder, other than any event as to which the 30-day notice period has been waived.

"Representatives" shall have the meaning provided in Section 13.16.

"Requirement of Law" shall mean, as to any Person, any law, treaty, rule, regulation, statute, order, ordinance, decree, judgment, consent decree, writ, injunction, settlement agreement or governmental requirement enacted, promulgated or imposed or entered into or agreed by any Governmental Authority, in each case applicable to or binding upon such Person or any of its property or assets or to which such Person or any of its property or assets is subject.

"Reserve Report" shall mean (a) the Initial Reserve Report and (b) prior to the Discharge of Priority Lien Obligations, a Reserve Report (as defined in the First Lien Exit Credit Agreement) and thereafter a reserve report established in accordance with the procedures set forth in the First Lien Exit Credit Agreement as in effect on the Closing Date and substituting the relevant Lenders for the lenders under the First Lien Exit Credit Agreement and in either case otherwise complying with the requirements of the First Lien Exit Credit Agreement; provided that, following the Discharge of Priority Lien Obligations, in addition to the calculations based upon the most recent Bank Price Deck such report shall include parallel calculations based upon the Strip Price.

"Reserve Report Certificate" shall mean a certificate of an Authorized Officer in substantially the form of Exhibit A certifying as to the matters set forth in Section 9.14(c).

"Resolution Authority" shall mean an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"Restricted Payment Conditions" shall mean as of any date of determination, on a *pro forma* basis for the transaction with respect to which the Restricted Payment Conditions are being evaluated, (a) no Default, Event of Default or, if prior to the Discharge of Priority Lien Obligations, Borrowing Base Deficiency shall have occurred and be continuing, (b) prior to the Discharge of Priority Lien Obligations, the Available Commitment is not less than 25.0% of the Total Commitment under (and as defined) in the First Lien Exit Credit Agreement, (c) the Consolidated Total Net Leverage Ratio is less than or equal to 2.30 to 1.00 and (d) Distributable Free Cash Flow is greater than or equal to zero on such date of determination.

"Restricted Payments" shall have the meaning provided in Section 10.6.

"Restricted Subsidiary" shall mean any Subsidiary of the Borrower other than an Unrestricted Subsidiary.

"Restructuring Support Agreement" shall have the meaning provided in the recitals to this Agreement.

"Sanctions" shall mean economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State or (b) the United Nations Security Council, the European Union or Her Majesty's Treasury of the United Kingdom.

"Sanctions Laws" shall mean the following, in each case, to the extent enacted and in effect: (a) laws, regulations, and rules promulgated or administered by OFAC to implement U.S. sanctions programs, including any enabling legislation or Executive Order related thereto, as amended from time to time; (b) the US Comprehensive Iran Sanctions, Accountability, and Divestment Act and the regulations and rules promulgated thereunder ("CISADA"), as amended from time to time; (c) the U.S. Iran Threat Reduction and Syria Human Rights Act and the regulations and rules promulgated thereunder ("ITRA"), as amended from time to time; (d) the US Iran Freedom and Counter-Proliferation Act and the regulations and rules promulgated thereunder ("IFCA"); (e) the sanctions and other restrictive measures applied by the European

Union in pursuit of the Common Foreign and Security Policy objectives set out in the Treaty on European Union; and (f) any similar sanctions laws as may be enacted from time to time in the future by the U.S., the European Union (and its member states), or the U.N. Security Council or any other legislative body of the United Nations; and any corresponding laws of jurisdictions in which the Borrower operates or in which the proceeds of the Loans will be used or from which repayments of the Obligations will be derived.

"S&P" shall mean Standard & Poor's Ratings Services or any successor by merger or consolidation to its business.

"Scheduled Redetermination Date" shall have the meaning assigned to such term in the First Lien Exit Credit Agreement.

"Screen Rate" shall have the meaning assigned to such term in the definition of "LIBOR Rate."

"SEC" shall mean the Securities and Exchange Commission or any successor thereto.

"Secured Parties" shall mean, collectively, the Administrative Agent, the Collateral Agent, each Lender and each Subagent appointed pursuant to Section 12.2 by the Administrative Agent with respect to matters relating to the Credit Documents or by the Collateral Agent with respect to matters relating to any Security Document.

"Securities Account" shall mean any securities account maintained by the Credit Parties, including any "security accounts" under Article 9 of the UCC. All funds in such Securities Accounts (other than Excluded Accounts) shall be conclusively presumed to be Collateral and proceeds of Collateral and the Agents and the Lenders shall have no duty to inquire as to the source of the amounts on deposit in the Securities Accounts.

"Securities Account Control Agreement" has the meaning specified in Section 9.17.

"Securities Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Security Documents" shall mean, collectively, (a) the Collateral Agreement, (b) the Mortgages, (c) the First Lien/Second Lien Intercreditor Agreement and any Junior Lien Intercreditor Agreement and (d) each other security agreement or other instrument or document executed and delivered pursuant to Section 9.11 or 9.13 or pursuant to any other such Security Documents or otherwise in order to secure or perfect the security interest in any or all of the Obligations.

"Service Agreement Undertakings" shall mean agreements to pay fees and other consideration in respect of agreed quantities of marketing, transportation and/or other similar services in connection with reasonably anticipated (i) production from Oil and Gas Properties of the Borrower and the Restricted Subsidiaries and (ii) associated production of non-operators and royalty and similar interest owners, in each case which fees and other consideration are payable whether or not such services are utilized.

"SFAS 87" has the meaning set forth in the definition of the term "Unfunded Current Liability".

"SOFR" with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator's Website on the immediately succeeding Business Day.

"SOFR Administrator" shall mean the NYFRB (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website" shall mean the website of the NYFRB, currently at http://www.newyorkfed.org, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"Solvent" shall mean, with respect to any Person on any date of determination, that on such date (i)(a) the fair value of the assets of such Person and its Restricted Subsidiaries, on a consolidated basis, exceeds, on a consolidated basis, their debts and liabilities, subordinated, contingent or otherwise, (b) the present fair saleable value of the property of such Person and its Restricted Subsidiaries, on a consolidated basis, is greater than the amount that will be required to pay the probable liability, on a consolidated basis, of their debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured or (c) such Person and its Restricted Subsidiaries, on a consolidated basis, are able to pay their debts and liabilities, subordinated, contingent or otherwise, as such liabilities become absolute and matured and (ii) such Person and its Restricted Subsidiaries, on a consolidated basis, are not engaged in, and are not about to engage in, business for which they have unreasonably small capital. The amount of any contingent liability at any time shall be computed as the amount that would reasonably be expected to become an actual and matured liability.

"Specified Properties" shall mean (i) Oil and Gas Properties of the Credit Parties that have Proved Reserves or Proved Developed Reserves and (ii) other applicable Oil and Gas Properties of the Borrower and the other Credit Parties that are included in the Borrowing Base and located within the geographic boundaries and territorial waters of the United States.

"Specified Properties Collateral Coverage Minimum" shall mean that the Mortgaged Properties in respect of Specified Properties shall represent at least 85% of the PV-9 value of the Specified Properties.

"Specified Quarter" shall have the meaning provided in the definition of Distributable Free Cash Flow.

"Specified Transaction" shall mean any acquisition, Investment, Disposition, incurrence or repayment of Indebtedness, Restricted Payment or Subsidiary designation that by the terms of this Agreement requires a financial ratio or test to be calculated on a *pro forma* basis.

"Specified Volumes" shall have the meaning provided in the definition of Acceptable Commodity Hedge Agreements.

"Statutory Reserve Rate" shall mean a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentage (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board to which the Administrative Agent is subject with respect to the Adjusted LIBOR Rate, for eurocurrency funding (currently referred to as "Eurocurrency liabilities" in Regulation D). Such reserve percentage shall include those imposed pursuant to Regulation D. LIBOR Loans shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

"Strip Price" as of any date of determination, the forward month prices as of such date for ICE Brent Crude/NYMEX (as applicable) applicable to such future production month for a five-year period (or

such shorter period if forward month prices are not quoted for ICE Brent Crude/NYMEX (as applicable) for the full five year period), as such prices are quoted on the Intercontinental Exchange (or its successor) or the New York Mercantile Exchange (or its successor) as of the determination date.

"Subagent" shall have the meaning provided in Section 12.2.

"Subordination Agreement" shall mean a subordination agreement in form and substance reasonably acceptable to the Administrative Agent and/or the Collateral Agent, the Borrower and the Majority Lenders, among the Administrative Agent, the representative on behalf of any holders of senior subordinated or subordinated Permitted Additional Debt, the Borrower, the Guarantors and the other parties party thereto from time to time.

"Subsidiary" shall mean, with respect to any Person: (1) any corporation, association, or other business entity (other than a partnership, joint venture, limited liability company or similar entity) of which more than 50.0% of the total Voting Equity is at the time of determination owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof; and (2) any partnership, joint venture, limited liability company or similar entity of which: (a) more than 50.0% of the Voting Equity or general partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof whether in the form of membership, general, special or limited partnership or otherwise, and (b) such Person or any Restricted Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"Subsidiary Grantor" shall mean each Subsidiary Guarantor and each Production Sharing Entity.

"Subsidiary Guarantor" shall mean each Subsidiary that is a Guarantor.

"Subsidiary Redesignation" shall have the meaning provided in the definition of "Unrestricted Subsidiary".

"Successor Borrower" shall have the meaning provided in Section 10.3(a)(i).

"Swap PV" shall mean, with respect to any commodity Hedge Agreement, the present value, discounted at 9% per annum, of the future receipts expected to be paid to the Borrower or its Restricted Subsidiaries under such Hedge Agreement netted against the First Lien Exit Administrative Agent's then current Bank Price Deck; provided, that the "Swap PV" shall never be less than $0.00.

"Swap Termination Value" shall mean, in respect of any one or more Hedge Agreements, after taking into account the effect of any legally enforceable netting agreement relating to such Hedge Agreements, (a) for any date on or after the date such Hedge Agreements have been closed out and termination value(s) determined in accordance therewith, the sum of any unpaid amount in respect of such Hedge Agreement and such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Hedge Agreements, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Hedge Agreements (which may include a Lender or any Affiliate of a Lender).

"Taxes" shall mean all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term SOFR" shall mean for the applicable Corresponding Tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

"Termination Date" shall mean (a) with respect to the Initial Loans, the earlier to occur of (i) the Initial Maturity Date and (ii) the date on which any Loans or other Obligations under the Credit Documents are accelerated in accordance with Section 11.12 and (b) with respect to any Class of Extended Loans, the earlier to occur of (i) the Maturity Date in respect of such Extended Loans and (ii) the date on which any Loans or other Obligations under the Credit Documents are accelerated in accordance with Section 11.12.

"Test Period" shall mean, for any date of determination under this Agreement, (a) for the fiscal quarters ending on or before March 31, 2021, the one fiscal quarter period ending on the last day of such applicable fiscal quarter, (b) for the fiscal quarters ending June 30, 2021 and September 30, 2021, the applicable period commencing on January 1, 2021 and ending on the last day of such applicable fiscal quarter and (c) for (x) the fiscal quarter ending December 31, 2021 and (y) each fiscal quarter thereafter, any period of four (4) consecutive fiscal quarters ending on the last day of such applicable fiscal quarter

"Transaction Expenses" shall mean any fees or expenses incurred or paid by the Borrower or any of its Subsidiaries in connection with the Transactions (including expenses in connection with hedging transactions (including termination or amendment thereof), if any, payments to officers, employees and directors as change of control payments, severance payments or special or retention bonuses and payments or charges for payments on account of phantom stock units, restricted stock, stock appreciation rights, restricted stock units and options (including the repurchase or rollover of, or modifications to, the foregoing awards)), this Agreement and the other Credit Documents and the transactions contemplated hereby and thereby.

"Transactions" shall mean, collectively, the execution, delivery and performance of this Agreement and the other Credit Documents, the borrowing of the Loans, the use of the proceeds thereof, the borrowing of loans and issuance of letters of credit under the First Lien Exit Facility, the payment of Transaction Expenses and the other transactions contemplated by this Agreement and the Credit Documents and the effectiveness and consummation of the Chapter 11 Plan pursuant to the Confirmation Order.

"Transferee" shall have the meaning provided in Section 13.6(e).

"Treasury Rate" means, as of the date of incurrence of any Indebtedness, the yield to maturity as of the date of incurrence of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to such incurrence date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from such incurrence date to the scheduled maturity date of such Indebtedness.

"Type" shall mean, as to any Loan, its nature as an ABR Loan or a LIBOR Loan.

"UCC" shall mean the Uniform Commercial Code of the State of New York or of any other state the laws of which are required to be applied in connection with the perfection of security interests in any Collateral.

"UK Financial Institution" shall mean any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended form time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time)

promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" shall mean the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Unadjusted Benchmark Replacement" shall mean the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

"Unfunded Current Liability" of any Plan shall mean the amount, if any, by which the Accumulated Benefit Obligation (as defined under Statement of Financial Accounting Standards No. 87 ("SFAS 87")) under the Plan as of the close of its most recent plan year, determined in accordance with SFAS 87 as in effect on the date hereof, exceeds the Fair Market Value of the assets allocable thereto.

"Unrestricted Cash" shall mean cash or cash equivalents (including Permitted Investments) of the Borrower or any of its Restricted Subsidiaries that would not appear as "restricted" on a consolidated balance sheet of the Borrower or any of its Restricted Subsidiaries; provided (a) cash or cash equivalents (including Permitted Investments) that would appear as "restricted" on a consolidated balance sheet of Borrower or any of its Restricted Subsidiaries solely because such cash or cash equivalents (including Permitted Investments) are subject to a Deposit Account Control Agreement or a Securities Account Control Agreement in favor of the First Lien Exit Administrative Agent, the First Lien Exit Collateral Agent or the Collateral Agent shall constitute Unrestricted Cash hereunder, (b) cash and cash equivalents shall be included in the determination of Unrestricted Cash only to the extent that such cash and cash equivalents are maintained in accounts subject to a Deposit Account Control Agreement or a Securities Account Control Agreement in favor of the Collateral Agent; it being understood that such Deposit Account Control Agreements and Securities Account Control Agreements may also be in favor of the First Lien Exit Administrative Agent or First Lien Exit Collateral Agent, including in each case as the "controlling agent" or other capacity with the same effect, without affecting the inclusion of such cash and cash equivalents in the determination of Unrestricted Cash, and (c) cash and cash equivalents that are maintained in accounts to the extent required under the First Lien Exit Credit Agreement to cash collateralize letter of credit exposure thereunder shall not be included in Unrestricted Cash.

"Unrestricted Subsidiary" shall mean (a) any Subsidiary of the Borrower that is formed or acquired after the Closing Date if, at such time or promptly thereafter, the Borrower designates such Subsidiary as an "Unrestricted Subsidiary" in a written notice to the Administrative Agent, (b) any Restricted Subsidiary designated as an Unrestricted Subsidiary by the Borrower in a written notice to the Administrative Agent; provided that in the case of each of clauses (a) and (b), (i) such designation shall be deemed to be an Investment (or reduction in an outstanding Investment, in the case of a designation of an Unrestricted Subsidiary as a Restricted Subsidiary) on the date of such designation in an amount equal to the Fair Market Value of the Borrower's investment therein on such date and such designation shall be permitted only to the extent such Investment is permitted under Section 10.5 on the date of such designation, (ii) [reserved], (iii) no Default, Event of Default or, if prior to the Discharge of Priority Lien Obligations, Borrowing Base Deficiency exists or would result from such designation immediately after giving effect thereto, (iv) immediately after giving *pro forma* effect to such designation, the Borrower shall be in compliance with the Financial Performance Covenants on a *pro forma* basis, (v) all representations and warranties made by any Credit Party contained herein or in the other Credit Documents shall be true and correct in all material respects with the same effect as though such representations and warranties had been made on and as of the date of such designation (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date and except that any representation and warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct (after giving effect

to any qualification therein) in all respects on such respective dates) and (vi) at the time of such designation, if such Subsidiary owns any Specified Properties, such designation shall be deemed a Disposition of such Specified Properties and shall otherwise be in compliance with this Agreement and (c) each Subsidiary of an Unrestricted Subsidiary. No Subsidiary may be designated as an Unrestricted Subsidiary if, after such designation, it would be a "Restricted Subsidiary" for the purpose of any Permitted Additional Debt or any Permitted Refinancing Indebtedness in respect thereof. The Borrower may, by written notice to the Administrative Agent, re-designate any Unrestricted Subsidiary as a Restricted Subsidiary (each, a "Subsidiary Redesignation"), and thereafter, such Subsidiary shall no longer constitute an Unrestricted Subsidiary, but only if no Event of Default would result from such Subsidiary Redesignation. Any such Subsidiary Redesignation shall be deemed to constitute the incurrence by the Borrower at the time of redesignation of any Investment, Indebtedness, or Liens of such Subsidiary existing at such time, and the Borrower shall be in compliance with Sections 10.1, 10.2 and 10.5 after giving effect to such redesignation. As of the Closing Date, there are no Unrestricted Subsidiaries. Notwithstanding the foregoing, no Production Sharing Entity that is the direct owner of any Production Sharing Contract shall be designated as an Unrestricted Subsidiary.

"Upfront Fee" shall have the meaning provided in Section 4.1(a).

"USD LIBOR" shall mean the London interbank offered rate for U.S. dollars.

"U.S. Person" shall mean any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Code.

"U.S. Tax Compliance Certificate" has the meaning specified in Section 5.4(f).

"Voting Equity" shall mean, with respect to any Person, such Person's Equity Interests having the voting power entitled (without regard to the occurrence of any contingency) to vote in the election of directors (or equivalent thereof), members of management or trustees thereof under ordinary circumstances.

"Weighted Average Life to Maturity" shall mean, when applied to any Indebtedness at any date, the number of years obtained by dividing: (i) the sum of the products obtained by multiplying (a) the amount of each then remaining scheduled installment, sinking fund, serial maturity or other required scheduled payments of principal, including payment at final scheduled maturity, in respect thereof, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by (ii) the then outstanding principal amount of such Indebtedness; provided that the effects of any prepayments made on such Indebtedness shall be disregarded in making such calculation.

"Wholly Owned Subsidiary" of any person shall mean a subsidiary of such person, all of the Equity Interests of which (other than directors' qualifying shares or nominee or other similar shares required pursuant to applicable law) are owned by such person or another Wholly Owned Subsidiary of such person.

"Withdrawal Liability" shall mean the liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

"Withholding Agent" shall mean the Borrower and the Administrative Agent.

"Working Capital" shall mean, as at any date of determination, the difference of Consolidated Current Assets *minus* Consolidated Current Liabilities.

"Write-Down and Conversion Powers" shall mean, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

1.2 Other Interpretive Provisions. With reference to this Agreement and each other Credit Document, unless otherwise specified herein or in such other Credit Document:

(a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(b) The words "herein", "hereto", "hereof" and "hereunder" and words of similar import when used in any Credit Document shall refer to such Credit Document as a whole and not to any particular provision thereof.

(c) Article, Section, Exhibit and Schedule references are to the Credit Document in which such reference appears.

(d) The terms "include," "includes" and "including" are by way of example and not limitation.

(e) The term "documents" includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form.

(f) In the computation of periods of time from a specified date to a later specified date, the word "from" shall mean "from and including"; the words "to" and "until" each mean "to but excluding"; and the word "through" shall mean "to and including".

(g) Section headings herein and in the other Credit Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Credit Document.

(h) Any reference to any Person shall be constructed to include such Person's successors or assigns (subject to any restrictions on assignment set forth herein) and, in the case of any Governmental Authority, any other Governmental Authority that shall have succeeded to any or all of the functions thereof.

(i) Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms.

(j) The word "will" shall be construed to have the same meaning as the word "shall".

(k) The words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(l) The principal amount of any non-interest bearing Indebtedness or other discount security constituting Indebtedness at any date shall be the principal amount thereof that would be shown on a balance sheet of the Borrower dated such date prepared in accordance with GAAP.

1.3 Accounting Terms.

(a) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the first audited financial statements delivered under Section 9.1(a), except as otherwise specifically prescribed herein. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made (i) without giving effect to any election under Accounting Standards Codification 825-10-25 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of the Borrower or any Subsidiary at "fair value", as defined therein and (ii) without giving effect to any treatment of Indebtedness in respect of convertible debt instruments under Accounting Standards Codification 470-20 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof.

(b) Computation of Certain Financial Covenants. Unless otherwise specified herein, all defined financial terms (and all other definitions used to determine such terms) shall be determined and computed in respect of the Borrower and its Restricted Subsidiaries on a consolidated basis.

1.4 Rounding. Any financial ratios required to be maintained or complied with by the Borrower pursuant to this Agreement (or required to be satisfied in order for a specific action to be permitted under this Agreement) shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.5 References to Agreements, Laws, Etc. Unless otherwise expressly provided herein, (a) references to organizational documents, agreements (including the Credit Documents) and other Contractual Requirements shall be deemed to include all subsequent amendments, restatements, amendment and restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, amendment and restatements, extensions, supplements and other modifications are permitted by any Credit Document and (b) references to any Requirement of Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Requirement of Law.

1.6 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to New York City (daylight saving or standard, as applicable).

1.7 Timing of Payment or Performance. When the payment of any obligation or the performance of any covenant, duty or obligation is stated to be due or performance required on a day which is not a Business Day, the date of such payment (other than as described in Section 2.9) or performance shall extend to the immediately succeeding Business Day.

1.8 Borrowing Base. With respect to any basket, exception or threshold determined herein by reference to a percentage of the Borrowing Base, (a) prior to the Discharge of Priority Lien

Obligations, the amount of the Borrowing Base applicable thereto shall be determined by reference to the Borrowing Base Certificate most recently delivered under Section 9.1(h) hereof and (b) from and after the Discharge of Priority Lien Obligations, such percentage component of any such basket, exception or threshold shall be disregarded for purposes of determining the amount of, or the amount permitted under, such basket, exception or threshold, and compliance with any such basket, exception or threshold shall be determined solely by reference to the dollar component thereof; provided that the foregoing shall in no event apply retroactively to any incurrence, transaction or other action (or failure to take any action) which was consummated or otherwise occurred prior to the Discharge of Priority Lien Obligations in reliance on such percentage component of such basket, exception or threshold.

1.9 Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Class (e.g., an "Extended Loan") or by Type (e.g., a "LIBOR Loan") or by Class and Type (e.g., a "LIBOR Extended Loan").

1.10 Hedging Requirements Generally. For purposes of any determination with respect to compliance with Section 10.10 or any other calculation under or requirement of this Agreement in respect of hedging, such determination or calculation shall be calculated separately for crude, gas and natural gas liquid.

1.11 Certain Determinations. For purposes of determining compliance with any of the covenants set forth in Section 9 or Section 10, but subject to any limitation expressly set forth therein, as applicable, at any time (whether at the time of incurrence or thereafter) that any Lien, Investment, Indebtedness, Disposition, Restricted Payment, Affiliate transaction, prepayment, redemption or the consummation of any other transaction meets the criteria of one, or more than one, of the categories permitted pursuant to Section 9 or Section 10, as applicable, the Borrower shall, in its sole discretion, determine under which category such Lien, Investment, Indebtedness, Disposition, Restricted Payment, Affiliate transaction, prepayment, redemption or the consummation of any other transaction (or, in each case, any portion thereof) is permitted.

1.12 Pro Forma and Other Calculations.

(a) Notwithstanding anything to the contrary herein, for purposes of determining compliance with any test or covenant contained in this Agreement with respect to any period during which any Specified Transaction occurs, the Consolidated Secured Net Leverage Ratio, the Consolidated Total Net Leverage Ratio and the Current Ratio shall be calculated with respect to such period and such Specified Transaction on a *pro forma* basis and in the manner prescribed by this Section 1.12.

(b) If since the beginning of any applicable Test Period any Person that subsequently became a Restricted Subsidiary or was merged, amalgamated or consolidated with or into the Borrower or any of its Restricted Subsidiaries since the beginning of such Test Period shall have made any Specified Transaction that would have required adjustment pursuant to this Section 1.12, then such financial ratio or test (or Consolidated Total Assets) shall be calculated to give *pro forma* effect thereto in accordance with this Section 1.12.

(c) Whenever *pro forma* effect is to be given to a Specified Transaction, the pro forma calculations shall be made in good faith by a Financial Officer of the Borrower.

(d) In the event that the Borrower or any Restricted Subsidiary issues, repurchases or redeems Disqualified Stock (i) during the applicable Test Period or (ii) subsequent to the end of the applicable Test Period and prior to or simultaneously with the event for which the calculation of any such ratio is made, then such financial ratio or test shall be calculated giving *pro forma* effect to such issuance, refinancing or

redemption of Disqualified Stock to the extent required, as if the same had occurred on the last day of the applicable Test Period.

1.13 Rates. The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the rates in the definition of "LIBOR Rate" or with respect to any rate that is an alternative or replacement for or successor to any such rate (including, without limitation, any Benchmark Replacement) or the effect of any of the foregoing, or of any Benchmark Replacement Conforming Changes.

1.14 Divisions. For all purposes under the Credit Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

SECTION 2. AMOUNT AND TERMS OF CREDIT

2.1 Commitments.

(a) Subject to and upon the terms and conditions herein set forth, each Lender agrees, severally and not jointly, to make a term loan to the Borrower (or be deemed to make a term loan pursuant to the cashless roll mechanics set forth in Exhibit N) in a single Borrowing on the Closing Date (each an "Initial Loan" and, collectively, the "Initial Loans") in an aggregate principal amount requested by the Borrower not to exceed such Lender's Commitment. Amounts borrowed under this Section 2.1 and paid or prepaid may not be reborrowed. The Commitment of each Lender shall terminate immediately following the funding of the Initial Loan on the Closing Date. Once funded, the Initial Loan shall be a "Loan" for all purposes under this Agreement and the other Credit Documents. Loans may, at the option of the Borrower, be incurred and maintained as, and/or converted into, ABR Loans or LIBOR Loans. All Loans made by each of the Lenders pursuant to the same Borrowing shall, unless otherwise specifically provided herein, consist entirely of Loans of the same Type.

(b) Each Lender may at its option make any LIBOR Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; provided that (i) any exercise of such option shall not affect the obligation of the Borrower to repay such Loan and (ii) in exercising such option, such Lender shall use its reasonable efforts to minimize any increased costs to the Borrower resulting therefrom (which obligation of such Lender shall not require it to take, or refrain from taking, actions that it determines would result in increased costs for which it will not be compensated hereunder or that it determines would be otherwise disadvantageous to it and in the event of such request for costs for which compensation is provided under this Agreement, the provisions of Section 2.10 shall apply).

2.2 Amount of the Closing Date Borrowing. The aggregate principal amount of the Borrowing on the Closing Date shall be equal to $200,000,000.

2.3 Notice of Borrowing. Whenever the Borrower desires to incur Loans, the Borrower shall give the Administrative Agent at the Administrative Agent's Office, (i) with respect to the Borrowing of Initial Loans on the Closing Date, (x) in the case of LIBOR Loans, prior to 1:00 p.m. (New York City time) at least one Business Day's prior written notice of the Borrowing of such Initial Loans and (y) in the case of ABR Loans, prior to 1:00 p.m. (New York City time) one Business Day's prior written notice of the Borrowing of such Initial Loans and (ii) with respect to each other Borrowing of Loans (if any), (x) in the case of any LIBOR Loans, prior to 1:00 p.m. (New York City time) at least three (3) Business Days' prior

written notice of such Borrowing of Loans and (y) in the case of any ABR Loans, prior to 1:00 p.m. (New York City time) one Business Day's prior written notice of such Borrowing of Loans. Such notice (a "Notice of Borrowing") shall specify (A) the aggregate principal amount of the Loans to be made pursuant to such Borrowing, (B) the date of the Borrowing (which shall be a Business Day), (C) whether the respective Borrowing shall consist of ABR Loans and/or LIBOR Loans and, if LIBOR Loans, the Interest Period to be initially applicable thereto (if no Interest Period is selected, the Borrower shall be deemed to have selected an Interest Period of one month's duration), (D) whether a PIK Interest Election has been made in respect of such Borrowing pursuant to Section 2.8(g) and (E) the Borrower's wire instructions. The Administrative Agent shall promptly give each Lender written notice of (1) each proposed Borrowing of Loans, (2) with respect to the Borrowing of Initial Loans on the Closing Date, such Lender's Commitment Percentage thereof and (3) the other matters covered by the related Notice of Borrowing.

2.4 Disbursement of Funds.

(a) No later than 3:00 p.m. (New York City time) on the date specified in each Notice of Borrowing, each Lender will make available its pro rata portion of each Borrowing requested to be made on such date in the manner provided below.

(b) Each Lender shall make available all amounts it is to fund to the Borrower under any Borrowing in immediately available funds to the Administrative Agent at the Administrative Agent's Office in Dollars, and upon receipt of all requested funds, the Administrative Agent will make available to the Borrower, by wiring to an account (such account to be a Controlled Account on and after the date referred to in Section 9.17(a)(i)) as designated by the Borrower in the Notice of Borrowing to the Administrative Agent the aggregate of the amounts so made available in Dollars. Unless the Administrative Agent shall have been notified by any Lender prior to the date of any such Borrowing (or, with respect to an ABR Loan, the date of such Borrowing prior to 1:00 p.m. (New York City time)) that such Lender does not intend to make available to the Administrative Agent its portion of the Borrowing or Borrowings to be made on such date, the Administrative Agent may assume that such Lender has made such amount available to the Administrative Agent on such date of Borrowing, and the Administrative Agent, in reliance upon such assumption, may (in its sole discretion and without any obligation to do so) make available to the Borrower a corresponding amount. If such corresponding amount is not in fact made available to the Administrative Agent by such Lender and the Administrative Agent has made available such amount to the Borrower, the Administrative Agent shall be entitled to recover such corresponding amount from such Lender. If such Lender does not pay such corresponding amount forthwith upon the Administrative Agent's demand therefor the Administrative Agent shall promptly notify the Borrower and the Borrower shall immediately pay such corresponding amount to the Administrative Agent in Dollars. The Administrative Agent shall also be entitled to recover from such Lender or the Borrower, as the case may be, interest on such corresponding amount in respect of each day from the date such corresponding amount was made available by the Administrative Agent to the Borrower to the date such corresponding amount is recovered by the Administrative Agent, at a rate per annum equal to (i) if paid by such Lender, the Overnight Rate or (ii) if paid by the Borrower, the then-applicable rate of interest or fees, calculated in accordance with Section 2.8, for the respective Loans.

(c) Nothing in this Section 2.4 shall be deemed to relieve any Lender from its obligation to fulfill its commitments hereunder or to prejudice any rights that the Borrower may have against any Lender as a result of any default by such Lender hereunder (it being understood, however, that no Lender shall be responsible for the failure of any other Lender to fulfill its commitments hereunder).

2.5 Repayment of Loans; Evidence of Debt.

(a) The Borrower agrees to repay to the Administrative Agent, for the benefit of the applicable Lenders, the principal amount outstanding as of such date, together with all accrued and unpaid interest as of such date, and all fees and all other Obligations incurred and unpaid hereunder and under each other Credit Document (other than contingent or indemnification obligations not then due and payable) as of such date, including the Applicable Premium, in respect of all Initial Loans and all Extended Loans (if any), in each case, on the applicable Termination Date in respect of such Loans.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to the appropriate lending office of such Lender resulting from each Loan made by such lending office from time to time, including the amounts of principal and interest payable and paid to such lending office from time to time under this Agreement.

(c) [Reserved].

(d) The entries made in the Register and accounts and subaccounts maintained pursuant to clauses (b) and (c) of this Section 2.5 shall, to the extent permitted by applicable Requirements of Law, be prima facie evidence of the existence and amounts of the obligations of the Borrower therein recorded; provided that the failure of any Lender or the Administrative Agent to maintain such account, such Register or such subaccount, as applicable, or any error therein, shall not in any manner affect the obligation of the Borrower to repay (with applicable interest) the Loans made to the Borrower by such Lender in accordance with the terms of this Agreement. In the event of any inconsistency between the entries in the accounts maintained pursuant to clause (b) or (e) of this Section 2.5 and the Register maintained by the Administrative Agent, the Register shall control.

(e) If requested by a Lender, the Loans made by each Lender shall be evidenced by a single promissory note of the Borrower in substantially the form of Exhibit H, dated, in the case of (i) any Lender party hereto as of the Closing Date, as of the Closing Date or (ii) any Lender that becomes a party hereto pursuant to an Assignment and Assumption or amendment or other modification to this Agreement, as of the effective date of the Assignment and Assumption, amendment or other modification, as applicable. In such event, the Borrower shall prepare, execute and deliver to such Lender a promissory note payable to such Lender (or, if requested by such Lender, to such Lender and its registered assigns). The date, amount, Type, interest rate and, if applicable, Interest Period of each Loan made by each Lender, and all payments made on account of the principal thereof, shall be recorded by such Lender on its books and/or its Note, if applicable. Failure to make any such recordation shall not affect any Lender's or the Borrower's rights or obligations in respect of Loans by a Lender or affect the validity of any transfer by a Lender of its Note.

2.6 Conversions and Continuations.

(a) Subject to the penultimate sentence of this clause (a), (i) the Borrower shall have the option on any Business Day to convert all or a portion equal to at least $1,000,000 (and in multiples of $100,000 in excess thereof) of the outstanding principal amount of Loans of one Type into a Borrowing or Borrowings of another Type and (ii) the Borrower shall have the option on any Business Day to continue the outstanding principal amount of any LIBOR Loans as LIBOR Loans for an additional Interest Period; provided that (A) no partial conversion of LIBOR Loans shall reduce the outstanding principal amount of LIBOR Loans made pursuant to a single Borrowing to less than $1,000,000, (B) ABR Loans may not be converted into LIBOR Loans if an Event of Default is in existence on the date of the conversion and the Majority Lenders have determined in their sole discretion not to permit such conversion, (C) LIBOR Loans may not be continued as LIBOR Loans for an additional Interest Period if an Event of Default is in existence on the date of the proposed continuation and the Majority Lenders have determined in their sole discretion not to

permit such continuation, (D) [reserved] and (E) at no time shall there be outstanding more than ten (10) Borrowings of LIBOR Loans under this Agreement. Each such conversion or continuation shall be effected by the Borrower by giving written notice in the form of Exhibit M to the Administrative Agent at the Administrative Agent's Office prior to 1:00 p.m. (New York City time) at least (x) three (3) Business Days prior to the date of continuation or conversion, in the case of a continuation of or conversion to LIBOR Loans or (y) one (1) Business Day prior to the date of conversion, in the case of a conversion into ABR Loans (each, a "Notice of Conversion or Continuation") specifying (1) the Loans to be so converted or continued, (2) the Type of Loans to be converted into or continued and, if such Loans are to be converted into or continued as LIBOR Loans, the Interest Period to be initially applicable thereto (if no Interest Period is selected, the Borrower shall be deemed to have selected an Interest Period of one month's duration) and (3) whether a PIK Interest Election has been made in respect of such Borrowing pursuant to Section 2.8(g). The Administrative Agent shall give each applicable Lender notice as promptly as practicable of any such proposed conversion or continuation affecting any of its Loans.

(b) If any Event of Default is in existence at the time of any proposed continuation of any LIBOR Loans and the Majority Lenders have determined in their sole discretion not to permit such continuation, such LIBOR Loans shall be automatically converted on the last day of the current Interest Period into ABR Loans. If upon the expiration of any Interest Period in respect of LIBOR Loans, the Borrower has failed to elect a new Interest Period to be applicable thereto as provided in clause (a) above, the Borrower shall be deemed to have elected to continue such Borrowing of LIBOR Loans into a Borrowing of LIBOR Loans having an interest period of one month, effective as of the expiration date of such current Interest Period.

(c) Notwithstanding anything to the contrary herein, but subject to the provisos set forth in Section 2.6(a)(ii)(A), (C) and (E), the Borrower may deliver a Notice of Conversion or Continuation pursuant to which the Borrower elects to irrevocably and automatically continue the outstanding principal amount of any Loan subject to an interest rate Hedge Agreement as LIBOR Loans for each Interest Period until the expiration of the term of such applicable Hedge Agreement; provided that any Notice of Conversion or Continuation delivered pursuant to this Section 2.6(c) shall include a schedule attaching the relevant interest rate Hedge Agreement or related trade confirmation.

2.7 Pro Rata Borrowings. The Borrowing of Initial Loans on the Closing Date under this Agreement shall be made by the Lenders pro rata on the basis of their then applicable Commitment Percentages. It is understood that (a) no Lender shall be responsible for any default by any other Lender in its obligation to make Loans hereunder and that each Lender severally but not jointly shall be obligated to make the Loans provided to be made by it hereunder, regardless of the failure of any other Lender to fulfill its commitments hereunder and (b) failure by a Lender to perform any of its obligations under any of the Credit Documents shall not release any Person from performance of its obligation under any Credit Document.

2.8 Interest.

(a) The unpaid principal amount of each ABR Loan shall bear interest from the date of the Borrowing thereof until maturity (whether by acceleration or otherwise) at a rate per annum that shall at all times be the Applicable Margin plus the ABR, in each case, in effect from time to time.

(b) The unpaid principal amount of each LIBOR Loan shall bear interest from the date of the Borrowing thereof until maturity thereof (whether by acceleration or otherwise) at a rate per annum that shall at all times be the Applicable Margin plus the relevant Adjusted LIBOR Rate, in each case, in effect from time to time.

(c) Upon the occurrence and during the continuance of an Event of Default, the Loans and all other amounts outstanding under the Credit Documents shall bear interest at a rate per annum, after as well as before judgment, that is (the "Default Rate") (A) in the case of outstanding principal, fees and other obligations, the rate that would otherwise be applicable thereto plus 2% or (B) in the case of any overdue interest or in the event there is no applicable rate, to the extent permitted by applicable Requirements of Law, the rate described in Section 2.8(a) plus 2% from the date of such non-payment to the date on which such amount is paid in full.

(d) Interest on each Loan shall accrue from and including the date of any Borrowing to but excluding the date of any repayment thereof and shall be payable in Dollars; provided that any Loan that is repaid on the same date on which it is made shall bear interest for one day. Except as provided below, interest (including PIK Interest) shall be payable (i) in respect of each ABR Loan, quarterly in arrears on the last Business Day of each March, June, September and December, (ii) in respect of each LIBOR Loan, on the last day of each Interest Period applicable thereto and, in the case of an Interest Period in excess of three (3) months, on each date occurring at three-month intervals after the first day of such Interest Period, (iii) in respect of each Loan, (A) on any prepayment or repayment (on the amount prepaid), (B) at maturity (whether by acceleration or otherwise) and (C) after such maturity, on demand.

(e) All computations of interest hereunder shall be made in accordance with Section 5.5.

(f) The Administrative Agent, upon determining the interest rate for any Borrowing of LIBOR Loans, shall promptly notify the Borrower and the relevant Lenders thereof. Each such determination shall, absent clearly demonstrable error, be final and conclusive and binding on all parties hereto.

(g) Except as expressly set forth in this Section 2.8(g), interest on each Loan for any Interest Period shall be payable entirely in cash (such interest, "Cash Interest"). In lieu of paying interest on the Loans entirely in Cash Interest, prior to the date that is the second anniversary of the Closing Date, at the Borrower's election (such election, a "PIK Interest Election") to be set forth in the applicable Notice of Borrowing or Notice of Conversion or Continuation, as applicable, interest payable at the end of such Interest Period shall be payable as PIK Interest (any Interest Period in which the Borrower has elected to pay a portion of interest at the end of such Interest Period in PIK Interest, a "PIK Election Period"); provided that, (i) notwithstanding the foregoing, the Borrower may, upon written notice to the Administrative Agent (for further distribution to the Lenders) at least five (5) Business Days prior to the last day Business Day of any PIK Election Period, irrevocably revoke any PIK Interest Election, in which case (x) interest on each Loan for such Interest Period shall be payable entirely in cash (and the amount of interest payable in cash shall be determined pursuant to the definition of Applicable Margin) and (y) such Interest Period shall, from and after the date on which the Administrative Agent receives such notice, cease to constitute a PIK Election Period and (ii) in the case of any prepayment or repayment of the principal amount of any Loans, including on the Termination Date in respect of such Loans, all accrued and unpaid interest on the principal amount prepaid or repaid (or required to be prepaid or repaid) shall be payable in cash. Unless the context otherwise requires, for all purposes hereof, references to "principal amount" of Loans refers to the original face amount of the Loans, less where applicable any previous principal payments, plus any increase in the principal amount of the outstanding Loans, including as a result of any capitalization or accretion of PIK Interest. The entire unpaid balance of principal resulting from all PIK Interest shall be immediately due and payable in full in cash in immediately available funds on the applicable Termination Date.

2.9 Interest Periods. At the time the Borrower gives a Notice of Borrowing or Notice of Conversion or Continuation in respect of the making of, or conversion into or continuation as, a Borrowing of LIBOR Loans in accordance with Section 2.6(a), the Borrower shall give the Administrative Agent written notice of the Interest Period applicable to such Borrowing, which Interest Period shall, at the option of the Borrower be a one-, two-, three- or six-month period as requested by the Borrower.

Notwithstanding anything to the contrary contained above:

(a) the initial Interest Period for any Borrowing of LIBOR Loans shall commence on the date of such Borrowing (including the date of any conversion from a Borrowing of ABR Loans) and each Interest Period occurring thereafter in respect of such Borrowing shall commence on the day on which the next preceding Interest Period expires;

(b) if any Interest Period relating to a Borrowing of LIBOR Loans begins on the last Business Day of a calendar month or begins on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period, such Interest Period shall end on the last Business Day of the calendar month at the end of such Interest Period;

(c) if any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided that, if any Interest Period in respect of a LIBOR Loan would otherwise expire on a day that is not a Business Day, but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the next preceding Business Day; and

(d) the Borrower shall not be entitled to elect any Interest Period in respect of any LIBOR Loan if such Interest Period would extend beyond the applicable Maturity Date in respect of such Loan.

2.10 Increased Costs, Illegality, Changed Circumstances, Etc.

(a) Subject to Section 2.10(d), in the event that (x) in the case of clause (i) below, the Majority Lenders (or the Administrative Agent, as applicable) or (y) in the case of clauses (ii) and (iii) below, any Lender (or the Administrative Agent, as applicable), shall have reasonably determined (which determination shall, absent clearly demonstrable error, be final and conclusive and binding upon all parties hereto):

(i) on any date for determining the Adjusted LIBOR Rate or the LIBOR Rate for any Interest Period that (A) deposits in the principal amounts of the Loans comprising such Borrowing of LIBOR Loans are not generally available in the relevant market or (B) adequate and fair means do not exist for ascertaining the applicable interest rate on the basis provided for in the definition of LIBOR Rate (including by reason of any changes arising on or after the Closing Date affecting the interbank LIBOR market); or

(ii) that a Change in Law occurring at any time after the Closing Date shall (A) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender, (B) subject any Lender and any Agent to any Tax (other than (i) Indemnified Taxes, (ii) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (iii) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto, or (C) impose on any Lender or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or LIBOR Loans made by such Lender, which results in the cost to such Lender of making, converting into, continuing or maintaining LIBOR Loans hereunder increasing by an amount which such Lender reasonably deems material or the amounts received or receivable by such Lender hereunder with respect to the foregoing shall be reduced; or

(iii) at any time, that the making or continuance of any LIBOR Loan has become unlawful as a result of compliance by such Lender in good faith with any Requirement of Law (or

would conflict with any such Requirement of Law not having the force of law even though the failure to comply therewith would not be unlawful);

then, and in any such event, such Lender(s) (or the applicable Agent, in the case of clause (i) and (ii)(B) above) shall within a reasonable time thereafter give written notice to the Borrower and to the Administrative Agent of such determination (which notice the Administrative Agent shall promptly transmit to each of the Lenders). Thereafter (A) in the case of clause (i) above, LIBOR Loans shall no longer be available until such time as the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice by the Administrative Agent no longer exist (which notice the Administrative Agent agrees to give at such time when (x) if an Agent has made such determination, such circumstances no longer exist or (y) if the Majority Lenders in the case of clause (i), or any Lender in the case of clauses (ii) and (iii), have made such determination, such Lender(s) have given written notice to the Administrative Agent that such circumstances no longer exist), and any Notice of Borrowing or Notice of Conversion or Continuation given by the Borrower with respect to LIBOR Loans that have not yet been incurred shall be deemed rescinded by the Borrower, (B) in the case of clause (ii) above, the Borrower shall pay to such Lender (or the applicable Agent, as applicable), promptly (but no later than fifteen (15) days) after receipt of written demand therefor such additional amounts as shall be required to compensate such Lender (or the applicable Agent, as applicable) for such increased costs or reductions in amounts receivable hereunder (it being agreed that a written notice as to the additional amounts owed to such Lender (or the applicable Agent, as applicable), showing in reasonable detail the basis for the calculation thereof, submitted to the Borrower by such Lender (or the applicable Agent, as applicable) shall, absent clearly demonstrable error, be final and conclusive and binding upon all parties hereto) and (C) in the case of clause (iii) above, the Borrower shall take one of the actions specified in Section 2.10(b) as promptly as possible and, in any event, within the time period required by applicable Requirements of Law.

(b) At any time that any LIBOR Loan is affected by the circumstances described in Section 2.10(a)(ii) or (iii), the Borrower may (and in the case of a LIBOR Loan affected pursuant to Section 2.10(a)(iii) shall) either if the affected LIBOR Loan is then being made pursuant to a Borrowing, cancel such Borrowing by giving the Administrative Agent written notice thereof on the same date that the Borrower was notified by a Lender pursuant to Section 2.10(a)(ii) or (iii) or if the affected LIBOR Loan is then outstanding, upon at least three (3) Business Days' notice to the Administrative Agent, require the affected Lender to convert each such LIBOR Loan into an ABR Loan; provided that if more than one Lender are affected at any time, then all affected Lenders must be treated in the same manner pursuant to this Section 2.10(b).

(c) If, after the Closing Date, any Change in Law relating to capital adequacy or liquidity requirements of any Lender or compliance by any Lender or its parent with any Change in Law relating to capital adequacy or liquidity requirements occurring after the Closing Date, has or would have the effect of reducing the rate of return on such Lender's or its parent's capital or assets as a consequence of such Lender's commitments or obligations hereunder to a level below that which such Lender or its parent could have achieved but for such Change in Law (taking into consideration such Lender's or its parent's policies with respect to capital adequacy or liquidity requirements), then from time to time, promptly (but in any event no later than fifteen (15) days) after written demand by such Lender (with a copy to the Administrative Agent), the Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender or its parent for such reduction, it being understood and agreed, however, that a Lender shall not be entitled to such compensation as a result of such Lender's compliance with, or pursuant to any request or directive to comply with, any applicable Requirement of Law as in effect on the Closing Date. Each Lender, upon determining in good faith that any additional amounts will be payable pursuant to this Section 2.10(c), will give prompt written notice thereof to the Borrower, which notice shall set forth in reasonable detail the basis of the calculation of such additional amounts, although the failure to give any such notice shall not,

subject to Section 2.13, release or diminish the Borrower's obligations to pay additional amounts pursuant to this Section 2.10(c) upon receipt of such notice.

(d)

(i) Notwithstanding anything to the contrary herein or in any other Credit Document, if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) or (2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Credit Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Credit Document and (y) if a Benchmark Replacement is determined in accordance with clause (3) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Credit Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Credit Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Majority Lenders of each Class. If (i) a Benchmark Replacement Date has occurred and the applicable Benchmark Replacement on such Benchmark Replacement Date is a Benchmark Replacement other than the sum of: (a) Term SOFR and (b) the related Benchmark Replacement Adjustment, (ii) subsequently, the Relevant Governmental Body recommends for use a forward-looking term rate based on SOFR and the Borrower requests that the Administrative Agent review the administrative feasibility of such recommended forward-looking term rate for purposes of this Agreement and (iii) following such request from the Borrower, the Administrative Agent determines (in its sole discretion) that such forward looking term rate is administratively feasible for the Administrative Agent, then the Administrative Agent may (in its sole discretion) provide the Borrower and Lenders with written notice that from and after a date identified in such notice: (i) a Benchmark Replacement Date shall be deemed to have occurred, the Benchmark Replacement on such Benchmark Replacement Date shall be deemed to be a Benchmark Replacement determined in accordance with clause (1) of the definition of "Benchmark Replacement"; provided that if upon such Benchmark Replacement Date the Benchmark Replacement Adjustment is unable to be determined in accordance with clause (1) of the definition of "Benchmark Replacement" and the corresponding definition of "Benchmark Replacement Adjustment", then the Benchmark Replacement Adjustment in effect immediately prior to such new Benchmark Replacement Date shall be utilized for purposes of this Benchmark Replacement (for avoidance of doubt, for purposes of this proviso, such Benchmark Replacement Adjustment shall be the Benchmark Replacement Adjustment which was established in accordance with the definition of "Benchmark Replacement Adjustment" on the date determined in accordance with clauses (a) or (b), as applicable, of the definition of "Benchmark Replacement Date" hereunder) and (ii) such forward looking term rate shall be deemed to be the forward looking term rate referenced in the definition of "Term SOFR" for all purposes hereunder or under any Credit Document in respect of any Benchmark setting and any subsequent Benchmark settings, without any amendment to, or further action or consent of any other party to, this Agreement or any other Credit Document. For the avoidance of doubt, if the circumstances described in the immediately preceding sentence shall occur, all applicable provisions set forth in this Section 2.10(d) shall apply with respect to such election of the Administrative Agent as completely as if such forward-looking term rate was initially determined in accordance with clause (1) of the definition of "Benchmark

Replacement", including, without limitation, the provisions set forth in Sections 2.10(d)(ii) and (vi).

(ii) In connection with the implementation of a Benchmark Replacement, the Administrative Agent will have the right (in consultation with the Borrower) to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Credit Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Credit Document.

(iii) The Administrative Agent will promptly notify the Borrower and the Lenders of (i) any Benchmark Replacement Date and the related Benchmark Replacement, (ii) the effectiveness of any Benchmark Replacement Conforming Changes, (iii) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 2.10(d)(iv) below and (iv) the commencement of any Benchmark Unavailability Period. For the avoidance of doubt, any notice required to be delivered by the Administrative Agent as set forth in this Section titled "Benchmark Replacement Setting" may be provided, at the option of the Administrative Agent (in its sole discretion), in one or more notices and may be delivered together with, or as part of any amendment which implements any Benchmark Replacement or Benchmark Replacement Conforming Changes. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.10(d), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Credit Document, except, in each case, as expressly required pursuant to this Section 2.10(d).

(iv) Notwithstanding anything to the contrary herein or in any other Credit Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR or USD LIBOR) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(v) Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a LIBOR Loan of, conversion to or continuation of LIBOR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to ABR Loans. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR.

(vi) The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to (i) the administration, submission or any other matter related to the London interbank offered rate or other rates in the definition of "LIBOR Rate" or with respect to any alternative or successor rate thereto, or replacement rate thereof (including, without limitation any Benchmark Replacement implemented hereunder), (ii) the composition or characteristics of any such Benchmark Replacement, including whether it is similar to, or produces the same value or economic equivalence to USD LIBOR (or any other Benchmark) or have the same volume or liquidity as did USD LIBOR (or any other Benchmark), (iii) any actions or use of its discretion or other decisions or determinations made with respect to any matters covered by this Section 2.10(d) including, without limitation, whether or not a Benchmark Transition Event has occurred, the removal or lack thereof of unavailable or non-representative tenors, the implementation or lack thereof of any Benchmark Replacement Conforming Changes, the delivery or non-delivery of any notices required by Section 2.10(d)(iv) above or otherwise in accordance herewith, and (iv) the effect of any of the foregoing provisions of this Section 2.10(d).

2.11 Compensation. If (a) any payment of principal of any LIBOR Loan is made by the Borrower to or for the account of a Lender other than on the last day of the Interest Period for such LIBOR Loan as a result of a payment or conversion pursuant to Section 2.5, 2.6, 2.10, 5.1, 5.2 or 13.7, as a result of acceleration of the maturity of the Loans pursuant to Section 11 or for any other reason, (b) any Borrowing of LIBOR Loans is not made on the date specified in a Notice of Borrowing, (c) any ABR Loan is not converted into a LIBOR Loan on the date specified in a Notice of Conversion or Continuation, (d) any LIBOR Loan is not continued as a LIBOR Loan on the date specified in a Notice of Conversion or Continuation or (e) any prepayment of principal of any LIBOR Loan is not made as a result of a withdrawn notice of prepayment pursuant to Section 5.1 or 5.2, the Borrower shall after the Borrower's receipt of a written request by such Lender (which request shall set forth in reasonable detail the basis for requesting such amount and shall be conclusive and binding in the absence of manifest error), pay to the Administrative Agent (within fifteen (15) days after such request) for the account of such Lender any amounts required to compensate such Lender for any additional losses, costs or expenses that such Lender may reasonably incur as a result of such payment, failure to convert, failure to continue or failure to prepay, including any loss, cost or expense (excluding loss of anticipated profits) actually incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such LIBOR Loan.

2.12 Change of Lending Office. Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Section 2.10(a)(ii), 2.10(a)(iii), 2.10(c) or 5.4 with respect to such Lender, it will, if requested by the Borrower use reasonable efforts (subject to overall policy considerations of such Lender) to designate another lending office for any Loans affected by such event; provided that such designation does not cause such Lender or its lending office to suffer any economic, legal or regulatory disadvantage, with the object of avoiding the consequence of the event giving rise to the operation of any such Section. Nothing in this Section 2.12 shall affect or postpone any of the obligations of the Borrower or the right of any Lender provided in Section 2.10 or 5.4.

2.13 Notice of Certain Costs. Notwithstanding anything in this Agreement to the contrary, to the extent any notice required by Section 2.10 or 2.11 is given by any Lender more than 180 days after such Lender has knowledge (or should have had knowledge) of the occurrence of the event giving rise to the additional cost, reduction in amounts, loss or other additional amounts described in such Sections, such Lender shall not be entitled to compensation under Section 2.10 or 2.11, as the case may be, for any such amounts incurred or accruing prior to the 181st day prior to the giving of such notice to the Borrower; provided that if the circumstance giving rise to such claim is retroactive, then such 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

2.14 Extensions of Loans.

(a) Notwithstanding anything to the contrary in this Agreement, pursuant to one or more offers (each, an "Extension Offer") made from time to time by the Borrower to all Lenders of Loans with a like maturity date, in each case on a pro rata basis (based on the aggregate outstanding principal amount of the respective Loans with a like maturity date) and on the same terms to each such Lender, the Borrower is hereby permitted to consummate from time to time transactions with individual Lenders that accept the terms contained in such Extension Offers to extend the maturity date of each such Lender's Loans and otherwise modify the terms of such Loans pursuant to the terms of the relevant Extension Offer (including, without limitation, by increasing the interest rate or fees payable in respect of such Loans and/or modifying the amortization schedule in respect of such Lender's Loans) (each, an "Extension" and each group of Loans, in each case as so extended, as well as the original Loans (in each case not so extended), being a "tranche"; any Extended Loans shall constitute a separate tranche of Loans from the tranche of Loans from which they were converted), so long as the following terms are satisfied: (i) no Default or Event of Default shall have occurred and be continuing at the time the offering document in respect of an Extension Offer is delivered to the Lenders and as of the effective date of the applicable Extension Amendment, (ii) except as to interest rates, fees, amortization, final maturity date or optional prepayments, premium, required prepayment dates and participation in prepayments (which shall, subject to immediately succeeding clauses (iii), (iv) and (v), be determined by the Borrower and the Extending Lenders and set forth in an Extension Amendment), the Loans of any Lender that agrees to an Extension with respect to such Loans (an "Extending Lender") extended pursuant to any Extension ("Extended Loans") shall be substantially the same as, and (taken as a whole) no more favorable to the Extending Lenders than those applicable to the Loans subject to such Extension Offer (except for covenants or other provisions applicable only to periods after the Final Maturity Date that was in effect prior to such Extension), (iii) the final maturity date of any Extended Loans shall be no earlier than the Final Maturity Date in effect immediately prior to such extension hereunder, (iv) the weighted average life to maturity of any Extended Loans shall be no shorter than the remaining weighted average life to maturity of the Loans extended thereby, (v) any Extended Loans may participate on a pro rata basis or a less than pro rata basis (but not greater than a pro rata basis) in any voluntary or mandatory repayments or prepayments hereunder, in each case as specified in the respective Extension Offer, (vi) if the aggregate principal amount of Loans (calculated on the face amount thereof) in respect of which Lenders shall have accepted the relevant Extension Offer shall exceed the maximum aggregate principal amount of Loans offered to be extended by the Borrower pursuant to such Extension Offer, then the Loans of such Lenders shall be extended ratably up to such maximum amount based on the respective principal amounts (but not to exceed actual holdings of record) with respect to which such Lenders have accepted such Extension Offer, (vii) all documentation in respect of such Extension shall be consistent with the foregoing and the Borrower shall have delivered an officer's certificate to the Administrative Agent, certifying that all conditions to such Extension have been met and such Extension is permitted by this Agreement (on which the Administrative Agent may conclusively rely without further inquiry), and (viii) any applicable Minimum Extension Condition shall be satisfied unless waived by the Borrower.

(b) With respect to all Extensions consummated by the Borrower pursuant to this Section 2.14, (i) such Extensions shall not constitute voluntary or mandatory payments or prepayments for purposes of Section 5.01 and Section 5.02 and (ii) no Extension Offer is required to be in any minimum amount or any minimum increment, provided that the Borrower may at its election specify as a condition (a "Minimum Extension Condition") to consummating any such Extension that a minimum amount (to be determined and specified in the relevant Extension Offer in the Borrower's sole discretion and may be waived by the Borrower) of Loans of any or all applicable tranches be tendered. The Administrative Agent and the Lenders hereby consent to the Extensions and the other transactions contemplated by this Section 2.14 (including, for the avoidance of doubt, payment of any interest, fees or premium in respect of any Extended Loans on such terms as may be set forth in the relevant Extension Offer) and hereby waive the requirements of any provision of this Agreement (other than this Section 2.14) or any other Credit Document that may otherwise prohibit any such Extension or any other transaction contemplated by this Section 2.14.

(c) No consent of any Lender or the Administrative Agent shall be required to effectuate any Extensions, other than the consent of each Lender agreeing to such Extension with respect to one or more of its Loans (or a portion thereof). All Extended Loans and all obligations in respect thereof shall be Obligations under this Agreement and the other Credit Documents that are secured by the Collateral on a *pari passu* basis with all other applicable Obligations under this Agreement and the other Credit Documents. The Lenders hereby irrevocably authorize and direct the Administrative Agent and/or Collateral Agent, as applicable, to enter into amendments (each, an "Extension Amendment") to this Agreement and the other Credit Documents with the Borrower and the other Credit Parties as may be necessary or appropriate in order to establish new tranches or sub-tranches in respect of Loans so extended and such technical amendments as may be necessary or appropriate in connection with the establishment of such new tranches or sub-tranches, in each case on terms consistent with this Section 2.14. All such amendments entered into hereunder with the Borrower by the Administrative Agent and/or the Collateral Agent, as applicable, shall be binding and conclusive on all of the Lenders. Without limiting the foregoing, in connection with any Extensions, the respective Credit Parties shall (at their expense) amend (and the Collateral Agent is hereby authorized and directed by the Lenders to amend) any Mortgage that has a maturity date prior to the Final Maturity Date in effect immediately prior to an extension hereunder so that such maturity date is extended to the Final Maturity Date (after giving effect to such Extension) (or such later date as may be advised by local counsel to the Collateral Agent).

(d) In connection with any Extension, the Borrower shall provide the Administrative Agent at least five (5) Business Days' (or such shorter period as may be agreed by Majority Lenders) prior written notice thereof, and shall agree to such procedures (including, without limitation, regarding timing, rounding and other adjustments and to ensure reasonable administrative management of the credit facilities hereunder after such Extension), if any, as may be established by, or acceptable to, the Administrative Agent, to accomplish the purposes of this Section 2.14.

(e) This Section 2.14 shall supersede any provision in Section 13.1 to the contrary.

2.15 Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) [Reserved]

(b) The Commitment and Loans of such Defaulting Lender shall not be included in determining whether all Lenders, the Majority Lenders, the Majority Class Lenders or each affected Lender have taken or may take any action hereunder (including any consent to any amendment or waiver pursuant to Section 13.1); provided that any waiver, amendment or modification requiring the consent of all Lenders pursuant to Section 13.1 or requiring the consent of each affected Lender pursuant to Section 13.1(a)(i) or (ix) shall require the consent of such Defaulting Lender (which for the avoidance of doubt would include any change to the Maturity Date applicable to such Defaulting Lender, decreasing or forgiving any principal or interest due to such Defaulting Lender, any decrease of any interest rate applicable to Loans made by such Defaulting Lender (other than the waiving of post-default interest rates) and any increase in or extension of such Defaulting Lender's Commitment);

(c) If the Borrower and the Administrative Agent agree in writing in their discretion that a Lender that is a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon, as of the effective date specified in such notice and subject to any conditions set forth therein, such Lender will cease to be a Defaulting Lender and will be a Non-Defaulting Lender; provided that, except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Non-Defaulting Lender will constitute a

waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender; and

(d) Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of that Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 11 or otherwise, and including any amounts made available to the Administrative Agent by that Defaulting Lender pursuant to Section 13.8), shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by that Defaulting Lender to the Agents hereunder; *second*, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which that Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *third*, if so determined by the Administrative Agent and the Borrower, to be held in a non-interest bearing deposit account and released in order to satisfy obligations of that Defaulting Lender to fund Loans under this Agreement; *fourth*, to the payment of any amounts owing to the Lenders as a result of any final non-appealable judgment of a court of competent jurisdiction obtained by any Lender against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; *fifth*, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any final non-appealable judgment of a court of competent jurisdiction obtained by the Borrower against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; and *sixth*, to that Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if such payment is a payment of the principal amount of any Loans, such payment shall be applied solely to pay the relevant Loans of the relevant non-Defaulting Lenders on a pro rata basis prior to being applied in the manner set forth in this Section 2.15(d). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender shall be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto.

SECTION 3. [RESERVED]

SECTION 4. FEES

4.1 Fees.

(a) The Borrower agrees to pay (i) to each Lender an upfront fee (the "Upfront Fee") in an amount equal to 1.00% of the principal amount of such Lender's aggregate Commitment in effect as of the Execution Date (as defined in the Restructuring Support Agreement), which shall be payable in cash on the Closing Date and may be netted from the amount of the Loans funded by the Lenders on the Closing Date and (ii) in addition to the Upfront Fee, to the Fronting Lender a fronting fee in the amount agreed between the Fronting Lender and the Borrower prior to the Closing Date, which shall be payable in cash on the Closing Date and may be netted from the amount of the Loans funded by the Fronting Lender on the Closing Date. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

(b) The Borrower agrees to pay to the Agents the administrative and collateral agent fees in the amounts and on the dates as set forth in writing from time to time between the Agents and the Borrower. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

SECTION 5. PAYMENTS.

5.1 Voluntary Prepayments. The Borrower shall have the right to prepay Loans, in whole or in part from time to time on the following terms and conditions:

(a) the Borrower shall give the Administrative Agent at the Administrative Agent's Office written notice of its intent to make such prepayment, the amount of such prepayment and (in the case of LIBOR Loans) the specific Borrowing(s) being prepaid, which notice shall be given by the Borrower no later than 1:00 p.m. (New York City time) (i) in the case of LIBOR Loans, three (3) Business Days prior to the date of such prepayment and (ii) in the case of ABR Loans one (1) Business Day prior to the date of such prepayment and the Administrative Agent shall promptly notify each of the Lenders thereof;

(b) each partial prepayment of (i) LIBOR Loans shall be in a minimum amount of $500,000 and in multiples of $100,000 in excess thereof or a lesser amount to the extent such lesser amount represents the entire aggregate outstanding LIBOR Loans at such time, and (ii) any ABR Loans shall be in a minimum amount of $500,000 and in multiples of $100,000 in excess thereof or a lesser amount to the extent such lesser amount represents the entire aggregate outstanding ABR Loans at such time; provided that no partial prepayment of LIBOR Loans made pursuant to a single Borrowing shall reduce the outstanding LIBOR Loans made pursuant to such Borrowing to an amount less than the applicable minimum borrowing amount for such LIBOR Loans set forth above;

(c) any prepayment of LIBOR Loans pursuant to this Section 5.1 on any day other than the last day of an Interest Period applicable thereto shall be subject to compliance by the Borrower with the applicable provisions of, including any breakage costs as set forth in, Section 2.11; and

(d) in the event that all or any portion of the Initial Loans are assigned, prepaid or repaid or required to prepaid or repaid in any manner and for any reason, whether pursuant to Section 5.1, Section 5.2 (other than Section 5.2(b)), Section 13.7, a Dutch Auction, or following the acceleration of the Initial Loans or otherwise (including any completed or required prepayment or repayment as a result of (A) an acceleration of the Obligations in respect of an Event of Default, (B) foreclosure and sale of, or collection of, the Collateral as a result of an Event of Default, (C) sale of the Collateral in any insolvency proceeding, (D) the restructure, reorganization, or compromise of the Obligations by the confirmation of a plan of reorganization or liquidation or any other plan of compromise, restructure, or arrangement in any insolvency proceeding and (E) the termination of this Agreement for any reason), such assignment, prepayment or repayment shall include:

(i) 100% of the principal amount of the Loans so prepaid or repaid, together with any accrued and unpaid interest thereof, *plus*

(ii) (A) if such prepayment or repayment occurs following the date that is ninety (90) days following the Closing Date and prior to the date that is one (1) year following Closing Date, 5.00% of the principal amount of the Loans so assigned, prepaid or repaid, (B) if such prepayment or repayment occurs on or after the date that is one year following the Closing Date and prior to the date that is two years following the Closing Date, 3.00% of the principal amount of the Loans so assigned, prepaid or repaid, (C) if such prepayment or repayment occurs on or after the date that is two years following the Closing Date and prior to the date that is three years following the Closing Date, 2.00% of the principal amount of the Loans so assigned, prepaid or repaid or (D) if such prepayment or repayment occurs on or after the date that is three years following the Closing Date and prior to the date that is four years following the Closing Date, 1.00% of the principal amount of the Loans so assigned, prepaid or repaid (this clause (ii), the "Applicable Premium").

All such amounts shall be due and payable on the date the payment in respect of principal occurs (or is required to occur) and shall be liquidated damages and compensation for the costs of making funds available hereunder with respect to the Initial Loans. Without limiting the generality of the foregoing, it is understood and agreed that if the Obligations are accelerated prior to the fourth anniversary of the Closing Date as a result of an Event of Default, including because of the commencement of any insolvency

proceeding or other proceeding pursuant to any applicable Debtor Relief Laws, sale, disposition, or encumbrance (including that by operation of law or otherwise), the Applicable Premium, determined as of the date of acceleration, will also be due and payable immediately upon acceleration as though said Obligations were voluntarily prepaid as of such date and shall constitute part of the Obligations, in view of the impracticability and extreme difficulty of ascertaining actual damages and by mutual agreement of the parties as to a reasonable calculation of each Lender's lost profits as a result thereof. The Applicable Premium payable in accordance with the immediately preceding sentence shall be presumed to be the liquidated damages sustained by each Lender as the result of the early termination, and the Borrower agrees that it is reasonable under the circumstances. The Applicable Premium shall also be payable in the event the Obligations (and/or this Agreement or the promissory notes evidencing the Obligations) are satisfied or released by foreclosure (whether by power of judicial proceeding), deed in lieu of foreclosure, or by any other means. THE BORROWER EXPRESSLY WAIVES THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE OR LAW THAT PROHIBITS OR MAY PROHIBIT THE COLLECTION OF THE FOREGOING PREPAYMENT PREMIUM IN CONNECTION WITH ANY SUCH ACCELERATION. The Borrower expressly agrees that: (A) the Applicable Premium is reasonable and is the product of an arm's length transaction between sophisticated business people, (B) the Applicable Premium shall be payable notwithstanding the then prevailing market rates at the time payment is made, (C) there has been a course of conduct between the Borrower and the Lenders giving specific consideration in this transaction for such agreement to pay the Applicable Premium, and (D) the Borrower shall be estopped hereafter from claiming differently than as agreed to in this paragraph. The Borrower expressly acknowledges that its agreement to pay the Applicable Premium as herein described is a material inducement to the Lenders making the Initial Loans on the Closing Date. The parties hereto agree that the Applicable Premium provided for under this Section 5.1(d) will not be deemed to constitute a penalty. The parties acknowledge that the Applicable Premium provided for under this Section 5.1(d) is believed to represent a genuine estimate of the losses that would be suffered by the Lenders as a result of the Borrower's breach of its obligations under this Section 5.1(d). The Borrower waives, the fullest extent permitted by law, the benefit of any statute affecting its liability hereunder or the enforcement hereof. Nothing in this paragraph is intended to limit, restrict, or condition any of the Borrower's obligations or any of the Agents' or Lenders' rights or remedies hereunder.

Each such notice delivered under Section 5.1(a) shall specify the date and amount of such prepayment and the Type and Class of Loans to be prepaid. At the Borrower's written election to the Administrative Agent in connection with any prepayment pursuant to this Section 5.1, such prepayment shall not be applied to any Loans of a Defaulting Lender.

Notwithstanding anything to the contrary contained in this Agreement, any such notice of prepayment pursuant to Section 5.1 may state that it is conditioned upon the occurrence or non-occurrence of any event specified therein (including the effectiveness of other credit facilities or other transactions), in which case such notice may be revoked by the Borrower (by written notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied.

5.2 Mandatory Prepayments.

(a) Repayment of Loans Following Incurrence of Indebtedness. If the Borrower or any one of its Restricted Subsidiaries incurs or issues any Indebtedness (other than Loans and other Indebtedness permitted under Section 10.1), the Borrower shall, on the Business Day after receiving such proceeds, following prior written notice to the Administrative Agent of its intent to repay the Loans as hereinafter set forth, repay the Loans in an aggregate principal amount equal to 100% of the Net Cash Proceeds obtained from such incurrence.

(b) Repayment of Loans Following any Dispositions or Casualty Event. Subject to Section 5.2(f), if the Borrower or any of its Restricted Subsidiaries receives any Net Cash Proceeds from (i) a Disposition of any of its Oil and Gas Properties or any other property (including, for the avoidance of doubt, Dispositions of property subject to a Casualty Event, but excluding any Disposition (x) permitted under Sections 10.4(a) or 10.4(e) (other than with respect to Oil and Gas Properties) and (y) by a Credit Party to another Credit Party (to the extent such Disposition is otherwise permitted hereunder), (ii) a Casualty Event or (ii) the unwinding, terminating and/or offsetting of any Hedge Agreement, the Borrower shall, on the Business Day after receiving such Net Cash Proceeds, repay the Loans in an aggregate principal amount equal to the lesser of (1) 100% of the Net Cash Proceeds obtained from such Disposition or Casualty Event (including any unwinding, termination or offsetting of any Hedge Agreement) and (2) the sum of the then-outstanding Loans; provided that such Net Cash Proceeds shall not be required to be so applied on such date so long as such Net Cash Proceeds shall be used to invest in assets of the type used or to be used in the businesses permitted pursuant to Section 10.13 within 365 days following the date of such Disposition; provided, further, that if during the applicable 365-day period the Borrower or a Restricted Subsidiary enters into a definitive binding agreement committing it to apply the Net Cash Proceeds in accordance with the requirements described in the immediately preceding proviso of this Section 5.2(b) after such 365-day period, such 365-day period will be extended to 545 days with respect to the amount of such Net Cash Proceeds required to be applied in accordance with such agreement; provided, further, that if all or any portion of such Net Cash Proceeds not required to be so applied as provided above in this Section 5.2(b) are not so reinvested within such 365-day period (or such 545-day period, in the event such 365-day period has been extended pursuant to the preceding proviso of this Section 5.2(b)) (or such earlier date, if any, as the Borrower or the relevant Restricted Subsidiary determines not to reinvest the Net Cash Proceeds from such Disposition as set forth above), such remaining portion shall be applied on the last day of such 365-day period (or such earlier date or the end of such 545-day period if so extended, as the case may be) as provided above in this Section 5.2(b).

(c) Application to Loans. Each prepayment of Loans elected under Section 5.1 or required by Section 5.2 shall be applied (i) first, to prepay the Initial Loans on a pro rata basis among such Initial Loans and (ii) second, if any other Class of Loans are outstanding at such time, to the extent the amount of such prepayment exceeds the then-outstanding principal amount of Initial Loans (plus all accrued and unpaid interest on the amount so prepaid or repaid and the Applicable Premium applicable thereto), to prepay such other Class or Classes of Loans on a pro rata basis or on a less than pro rata basis (but not on a greater than pro rata basis) among each such Class of Loans outstanding if agreed by the Lenders holding such Class of Loans; provided that (A) each prepayment of Loans shall be accompanied by the payment of all accrued and unpaid interest on the amount prepaid or repaid and the Applicable Premium applicable thereto, and (B) notwithstanding the provisions of the preceding clause (A), no prepayment of Loans shall be applied to the Loans of any Defaulting Lender except in accordance with Section 2.15(d). With respect to each prepayment of a Class of Loans under Section 5.1 or Section 5.2 in accordance with this clause (c), the Borrower may designate the Type or Types of Loans that are to be prepaid and the specific Borrowing(s) being repaid within such Class; provided that in the absence of a designation of the Type or Types of a Class of Loans by the Borrower as described in this sentence, the Administrative Agent shall make such designation in its reasonable discretion with a view, but no obligation, to minimize breakage costs owing under Section 2.11.

(d) LIBOR Interest Periods. In lieu of making any payment pursuant to this Section 5.2 in respect of any LIBOR Loan, other than on the last day of the Interest Period thereof so long as no Event of Default shall have occurred and be continuing, the Borrower at its option may deposit, on behalf of the Borrower, with the Administrative Agent an amount equal to the amount of the LIBOR Loan to be prepaid (plus all accrued and unpaid interest on the amount prepaid and the Applicable Premium applicable thereto to the last day of the Interest Period in respect of such LIBOR Loan) and such LIBOR Loan shall be repaid on the last day of the Interest Period therefor in the required amount. Such deposit shall be held by the

Administrative Agent in a corporate time deposit account established on terms reasonably satisfactory to the Administrative Agent, earning interest for the benefit of the Lenders at the then customary rate for accounts of such type. The Borrower hereby grants to the Administrative Agent, for the benefit of the Lenders, a security interest in all such cash, deposit accounts and all balances therein and all proceeds of the foregoing. Such deposit shall constitute cash collateral for the LIBOR Loans to be so prepaid; provided that the Borrower may at any time direct that such deposit be applied to make the applicable payment required pursuant to this Section 5.2.

(e) Application of Proceeds. The Borrower shall be required to make, with respect to Extended Loans, in each case, to the extent then outstanding, scheduled amortization payments (if any) of such Extended Loans, on the dates and in the principal amounts to the extent set forth in the applicable Extension Amendment.

(f) Notwithstanding anything to the contrary in this Section 5.2, (i) no mandatory prepayments of Loans arising from any Disposition of EHP Collateral or Casualty Event in respect of EHP Collateral shall be required if such Disposition or Casualty Event shall have occurred either (A) prior to the EHP Discharge Date or (B) to the extent the proceeds of such Disposition or Casualty Event are used to effect the EHP Discharge Date, substantially concurrently with the EHP Discharge Date and (ii) no mandatory prepayment of outstanding Loans or other application of proceeds that would otherwise be required to be made under this Section 5.2 shall be required to be made until the Discharge of Priority Lien Obligations.

5.3 Method and Place of Payment.

(a) Except as otherwise specifically provided herein, all payments under this Agreement shall be made by the Borrower without set-off, counterclaim or deduction of any kind, to the Administrative Agent for the ratable account of the Lenders entitled thereto not later than 1:00 p.m. (New York City time), in each case, on the date when due and shall be made in immediately available funds at the Administrative Agent's Office or at such other office or account as the Administrative Agent shall specify for such purpose by notice to the Borrower. All repayments or prepayments of any Loans (whether of principal, interest, the Applicable Premium or otherwise) hereunder and all other payments under each Credit Document shall be made in Dollars. The Administrative Agent will thereafter cause to be distributed on the same day (if (x) payment was actually received by the Administrative Agent prior to 1:00 p.m. (New York City time), (y) the Administrative Agent has been afforded sufficient time to prepare such payment for distribution, and (z) in the case of a prepayment, written notice from the Borrower in respect of such prepayment was actually received by the Administrative Agent as contemplated under Section 5.1 or 5.2) or, if not received by the Administrative Agent by such time, on the next Business Day in the sole discretion of the Administrative Agent, like funds relating to the payment of principal, interest or premium or fees ratably to the Lenders entitled thereto.

(b) For purposes of computing interest or fees, any payments under this Agreement that are made later than 1:00 p.m. (New York City time) shall be deemed to have been made on the next succeeding Business Day in the sole discretion of the Administrative Agent. Whenever any payment to be made hereunder shall be stated to be due on a day that is not a Business Day, the due date thereof shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest shall be payable during such extension at the applicable rate in effect immediately prior to such extension.

5.4 Net Payments.

(a) *Payments Free of Taxes*. Any and all payments by or on account of any obligation of the Borrower under any Credit Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of

an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 5.4) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) *Payment of Other Taxes by Borrower*. The Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent or the applicable Lender timely reimburse it for the payment of, any Other Taxes.

(c) *Indemnification by Borrower*. The Borrower shall indemnify each Recipient, within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 5.4) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by any Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(d) *Indemnification by the Lenders*. Each Lender shall severally indemnify the Administrative Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 13.6(c) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Credit Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Credit Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this clause (d).

(e) *Evidence of Payments*. As soon as practicable after any payment of Taxes by the Borrower to a Governmental Authority pursuant to this Section 5.4, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(f) *Status of Lenders*. (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Credit Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting

requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in clauses (ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing:

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or about the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or about the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Credit Document, executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Credit Document, IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed copies of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit J-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, or a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E; or

(4) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit J-2 or Exhibit J-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit J-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or about the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Credit Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(g) *Treatment of Certain Refunds*. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section (including by the payment of additional amounts pursuant to this Section), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this clause (g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this clause (g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this clause (g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This clause (g) shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) *Defined Terms*. For purposes of this Section 5.4, the term "applicable law" includes FATCA.

(i) *Survival*. The obligations under and agreements in this Section 5.4 shall survive the resignation or replacement of any Agent, any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments, the termination of this Agreement and any other Credit Document and the payment, satisfaction or discharge of all Obligations under any Credit Document.

5.5 Computations of Interest and Fees. Except as provided in the next succeeding sentence, interest on LIBOR Loans and ABR Loans shall be calculated on the basis of a 360-day year for the actual days elapsed. Interest on ABR Loans in respect of which the rate of interest is calculated on the basis of the Prime Rate and interest on overdue interest shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed.

5.6 Limit on Rate of Interest.

(a) No Payment Shall Exceed Lawful Rate. Notwithstanding any other term of this Agreement, the Borrower shall not be obligated to pay any interest or other amounts under or in connection with this Agreement or otherwise in respect to any of the Obligations in excess of the amount or rate permitted under or consistent with any applicable law, rule or regulation.

(b) Payment at Highest Lawful Rate. If the Borrower is not obliged to make a payment that it would otherwise be required to make, as a result of Section 5.6(a), the Borrower shall make such payment to the maximum extent permitted by or consistent with applicable laws, rules and regulations.

(c) Adjustment if Any Payment Exceeds Lawful Rate. If any provision of this Agreement or any of the other Credit Documents would obligate the Borrower or any other Credit Party to make any payment of interest or other amount payable to any Lender in an amount or calculated at a rate that would be prohibited by any applicable Requirement of Law, then notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by applicable Requirements of Law, such adjustment to be effected, to the extent necessary, by reducing the amount or rate of interest required to be paid by the Borrower to the affected Lender under Section 2.8.

(d) Rebate of Excess Interest. Notwithstanding the foregoing, and after giving effect to all adjustments contemplated thereby, if any Lender shall have received from the Borrower an amount in excess of the maximum permitted by any applicable Requirement of Law, then the Borrower shall be entitled, by notice in writing to the Administrative Agent to obtain reimbursement from that Lender in an amount equal to such excess, and pending such reimbursement, such amount shall be deemed to be an amount payable by that Lender to the Borrower.

SECTION 6. CONDITIONS PRECEDENT TO INITIAL BORROWING.

The effectiveness of this Agreement and the initial Borrowing hereunder are subject to the satisfaction of the following conditions precedent, except as otherwise waived pursuant to Section 13.1.

(a) The Administrative Agent (or its counsel) and the Lenders (or their counsel) shall have received from the Borrower (i) a counterpart of this Agreement signed on behalf of such party or (ii) written evidence satisfactory to the Administrative Agent (which may include e-mail transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement.

(b) The Administrative Agent (or its counsel) and the Lenders (or their counsel) shall have received, on behalf of the Administrative Agent, the Collateral Agent and the Lenders, written opinions of (i) Sullivan & Cromwell LLP, counsel to the Credit Parties, (ii) Vinson & Elkins, LLP, Texas counsel to

the Credit Parties and (iii) local counsel in each jurisdiction where Mortgaged Properties are located, in each case (A) dated the Closing Date, (B) addressed to the Administrative Agent, the Collateral Agent and the Lenders and (C) in form and substance satisfactory to the Administrative Agent and the Majority Lenders and covering such customary matters relating to the Credit Parties, this Agreement and the other Credit Documents for transactions of this type. The Borrower and the other Credit Parties hereby instruct such counsel to deliver such legal opinions.

(c) The Administrative Agent shall have received, in the case of each Credit Party, a certificate of the Secretary or Assistant Secretary or similar officer of each Credit Party dated the Closing Date and certifying:

(i) that attached thereto is a true and complete copy of the bylaws (or limited liability company agreement or other equivalent governing documents) of such Credit Party as in effect on the Closing Date and at all times since a date prior to the date of the resolutions described in clause (ii) below,

(ii) that attached thereto is a true and complete copy of resolutions duly adopted by the board of directors (or managing member or equivalent) of such Credit Party authorizing the execution, delivery and performance of the Credit Documents to which such person is a party and, in the case of the Borrower, the borrowings hereunder, and that such resolutions have not been modified, rescinded or amended and are in full force and effect on the Closing Date,

(iii) that attached thereto is (A) a true and complete copy of the certificate or articles of incorporation or certificate of formation, including all amendments thereto, of such Credit Party, certified as of a recent date by the Secretary of State (or other similar official) of the jurisdiction of its organization, (B) a certificate as to the good standing (to the extent such concept or a similar concept exists under the laws of such jurisdiction) of each such Credit Party in the jurisdiction in which it is formed or organized as of a recent date from such Secretary of State (or other similar official), which has not been amended and, (C) if available after the use of commercially reasonable efforts by the Borrower, a certificate as to the good standing (to the extent such concept or a similar concept exists under the laws of such jurisdiction) of each Credit Party in each jurisdiction where such Credit Party owns material Specified Properties (other than in the jurisdiction where such Credit Party is formed or organized), as of a recent date from the Secretary of State (or other similar official) of such jurisdiction, which has not been amended,

(iv) as to the incumbency and specimen signature of each officer executing any Credit Document or any other document delivered in connection herewith on behalf of such Credit Party, and

(v) a certificate of a director or an officer as to the incumbency and specimen signature of the Secretary or Assistant Secretary or similar officer executing the certificate pursuant to subclause (ii) above.

(d) Each Lender that has requested a promissory note shall have received a promissory note substantially in the form of Exhibit H executed by the Borrower in favor of such Lender, evidencing the Loans owing to such Lender.

(e) The Administrative Agent (or its counsel) and the Lenders (or their counsel) shall have received executed copies of the Guarantee, executed by each Person which will be a Guarantor on the Closing Date.

(f) (i) The Administrative Agent (or its counsel) and the Lenders (or their counsel) shall have received copies of the Collateral Agreement, Mortgages in respect of any Specified Properties (subject to Section 9.9), UCC financing statements and each other Security Document that is required to be executed on the Closing Date, duly executed by each Credit Party party thereto, together with evidence that all other actions, recordings and filings required by the Security Documents as of the Closing Date or that the Majority Lenders may deem reasonably necessary to (A) create the Liens intended to be created by any Security Document and perfect such Liens to the extent required by, and with the priority required by, such Security Document shall have been delivered to the Collateral Agent for filing, registration or recording by the Collateral Agent (or its designee, which may be counsel to the Majority Lenders) and (B) comply with Section 9.11, in each case shall have been taken, completed or otherwise provided for in a manner reasonably satisfactory to the Majority Lenders.

(ii) All Equity Interests directly owned by the Borrower or any Subsidiary Grantor, in each case as of the Closing Date, shall have been pledged pursuant to the Collateral Agreement (except that such Credit Parties shall not be required to pledge any Excluded Equity Interests) and the Collateral Agent shall have received all certificates, if any, representing such securities pledged under the Collateral Agreement, accompanied by instruments of transfer and/or undated powers endorsed in blank.

(iii) The Administrative Agent shall have received customary UCC, tax and judgment lien searches with respect to the Borrower and the Grantors in their applicable jurisdictions of organization, reflecting the absence of Liens and security interests other than those being released on or prior to the Closing Date or which are otherwise permitted under the Credit Documents.

(g) All representations and warranties made by any Credit Party contained herein or in the other Credit Documents are true and correct in all material respects on and as of the Closing Date (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date and except that any representation and warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct (after giving effect to any qualification therein) in all respects on such respective dates).

(h) The Lenders (or their counsel) shall have received (i) satisfactory audited consolidated financial statements of the Borrower for the fiscal year ended December 31, 2019 and satisfactory unaudited consolidated financial statements of the Borrower for each fiscal quarter thereafter ending at least 45 days prior to the Closing Date and (ii) a pro forma unaudited consolidated balance sheet of the Borrower and its Subsidiaries as of the Closing Date, after giving effect to the initial Borrowing under this Agreement, the application of the proceeds thereof and to the other transactions contemplated to occur on the Closing Date, certified by the Borrower's chief financial officer, which shall reflect no Indebtedness other than the Loans made by the Lenders on the Closing Date and other Indebtedness permitted by the Credit Documents (excluding any Permitted Additional Debt) (collectively, the "Closing Date Financials").

(i) The Lenders (or their counsel) shall have received (i) the Initial Reserve Report and (ii) lease operating statements and production reports with respect to the Oil and Gas Properties evaluated in the Initial Reserve Report, in each case as delivered to (and accepted by) the First Lien Exit Administrative Agent or the arrangers of the First Lien Exit Facility, for the fiscal year ended December 31, 2019 and for each fiscal quarter ending thereafter ending at least 45 days prior to the Closing Date.

(j) On the Closing Date, the Administrative Agent (or its counsel) and the Lenders (or their counsel) shall have received (i) a solvency certificate (giving effect to the Chapter 11 Plan) substantially in the form of Exhibit I hereto and signed by a Financial Officer of the Borrower and (ii) a Notice of Borrowing satisfying the requirements of Section 2.3.

(k) The Administrative Agent shall have received evidence that the Borrower has (i) obtained and effected all insurance required to be maintained pursuant to the Credit Documents and (ii) caused the Administrative Agent to be named as lender loss payee and/or additional insured under each insurance policy with respect to such insurance, as applicable.

(l) All fees and expenses required to be paid hereunder and invoiced, including, without limitation, the reasonable and documented fees and expenses of Davis Polk & Wardwell LLP, as counsel to the Lenders, and Ropes & Gray LLP, as counsel to the Agents, shall have been paid in full in cash or netted from the proceeds of the initial funding under the Facility, to the extent applicable.

(m) (i) The Administrative Agent (or its counsel) and the Lenders shall have received at least three (3) Business Days prior to the Closing Date all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, the Patriot Act, that has been requested by the Administrative Agent in writing at least five (5) Business Days prior to the Closing Date and (ii) to the extent the Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, at least three (3) Business Days prior to the Closing Date, any Lender that has requested, in a written notice to the Borrower at least five (5) Business Days prior to the Closing Date, a Beneficial Ownership Certification in relation to the Borrower, shall have received such Beneficial Ownership Certification (provided that, upon the execution and delivery by such Lender of its signature page to this Agreement, the condition set forth in this clause (ii) shall be deemed to be satisfied).

(n) The Administrative Agent shall have received evidence reasonably satisfactory to the Majority Lenders (or their counsel) that the First Lien Exit Administrative Agent has received from the Credit Parties title information setting forth the status of title to at least 85% of the PV-9 value of the Specified Properties evaluated in the Initial Reserve Report and shall have accepted such information.

(o) The Borrower shall have received, or shall receive simultaneously with the occurrence of the Closing Date, no less than $450,000,000 in aggregate cash common equity proceeds (a portion of which proceeds may, for the avoidance of doubt, be deemed received pursuant to netting arrangements with certain lenders (in their respective sole discretion) in respect of obligations of the Borrower to repay amounts owed to such lenders under the Junior DIP Facility).

(p) The Administrative Agent (or its counsel) and the Lenders (or their counsel) shall have received a certificate of an Authorized Officer of the Borrower certifying (a) that the Borrower and its Restricted Subsidiaries have received all material third-party and governmental consents and approvals required by the terms of the Credit Documents, (b) since December 31, 2019, there has not been any material adverse change in, or Material Adverse Effect on the business, operations, property, liabilities (actual or contingent) or condition (financial or otherwise) of the Credit Parties, taken as a whole, other than any change, event or occurrence, arising individually or in the aggregate, from (i) events that could reasonably be expected to result from the filing or commencement of the Chapter 11 Cases or the announcement of the filing or commencement of the Chapter 11 Cases and (ii) any circumstances or conditions disclosed in writing to the Administrative Agent and the Lenders prior to the Closing Date resulting from or arising out of the COVID-19 pandemic, (c) at the time of the initial Borrowing under this Agreement and also after giving effect thereto no Default or Event of Default shall have occurred and be continuing and (d) the condition precedent set forth in clause (g) of this Section 6 above shall have been satisfied.

(q) The Majority Lenders shall be reasonably satisfied that after the initial Borrowing under this Agreement on the Closing Date, the application of the proceeds thereof and after giving effect to the other transactions contemplated hereby, Liquidity shall be not less than $300,000,000.

(r) The Administrative Agent (or its counsel) and the Lenders (or their counsel) shall have received evidence reasonably satisfactory to the Majority Lenders (or their counsel) that (a) all loans, commitments and other obligations under each DIP Facility are being repaid in full, each DIP Facility is being terminated, and the liens securing each DIP Facility are being released, in each case substantially contemporaneously with the proceeds of the initial Borrowing under this Agreement and (b) allowed 2016 Term Loan Claims, 2017 Term Loan Claims, Second Lien Notes Claims, and Unsecured Notes Claims (each as defined in the Chapter 11 Plan) shall each have been satisfied through the treatment provided for each such claim under the Chapter 11 Plan in accordance with the Chapter 11 Plan. After giving effect to the transactions contemplated hereby, the Borrower and its Subsidiaries shall have no Indebtedness other than the Loans made by the Lenders on the Closing Date and other Indebtedness permitted by the Credit Documents (excluding any Permitted Additional Debt). The Administrative Agent (and their counsel) and the Lenders (and their counsel) shall have received evidence satisfactory to Majority Lenders that all liens on the assets of the Borrower and its Subsidiaries (other than liens permitted by the Credit Documents) have been (or will be concurrently with the initial funding under the Facility) released or terminated and that duly executed recordable releases and terminations in forms reasonably acceptable to the Majority Lenders with respect thereto have been obtained by the Borrower and its Subsidiaries.

(s) [Reserved].

(t) The Bankruptcy Court shall have entered one or more final non-appealable orders (one of which orders may be the order confirming the Chapter 11 Plan) approving the Facility, this Agreement and the other Credit Documents, and authorizing the Borrower to execute, deliver and perform under the Facility, this Agreement and the other Credit Documents, which order shall be in full force and effect, not stayed, reversed or vacated, and, subject to the consent provisions set forth in Section 3.02 of the Restructuring Support Agreement, be in form and substance reasonably satisfactory to the Required Consenting Parties (as defined in the Restructuring Support Agreement).

(u) The Chapter 11 Plan and all other related documentation (i) shall have been confirmed by an order of the Bankruptcy Court, which order shall be in full force and effect, unstayed and final, and shall not have been modified or amended without the written consent of the Majority Lenders, reversed or vacated, (ii) all conditions precedent to the effectiveness of the Chapter 11 Plan as set forth therein shall have been satisfied or waived (the waiver thereof having been approved by the Majority Lenders), and the substantial consummation (as defined in Section 1101 of the Bankruptcy Code) of the Chapter 11 Plan in accordance with its terms shall have occurred contemporaneously with the Closing Date and (iii) the transactions contemplated by the Chapter 11 Plan to occur on the effective date of the Chapter 11 Plan shall have been substantially consummated (as defined in Section 1101 of the Bankruptcy Code) on the Closing Date and substantially contemporaneously with the initial Borrowing hereunder in accordance with the terms of the Chapter 11 Plan and in compliance with applicable law and Bankruptcy Court and regulatory approvals. Without limiting the generality of the foregoing, the Chapter 11 Plan shall not be satisfactory to the Majority Lenders unless all outstanding obligations under the Borrower's 2016 Credit Agreement, 2017 Credit Agreement, Second Lien Notes Indenture and the Unsecured Notes Indenture (each as defined in that certain Amended and Restated Restructuring Support Agreement, dated as of July 24, 2020, by and among the Company Parties and the Consenting Parties (each as defined therein)) are in each case to be extinguished or converted to common equity interests in the Borrower pursuant to the Chapter 11 Plan on terms reasonably satisfactory to the Required Consenting Parties (as defined in the Restructuring Support Agreement).

(v) The First Lien Exit Facility shall have become effective on terms and pursuant to loan documentation consistent with the terms described in Exhibit A of the Restructuring Support Agreement under the heading "First Lien Exit Facility" and otherwise reasonably acceptable to the Majority Lenders.

(w) Unrestricted cash (with any cash constituting EHP Collateral being deemed "unrestricted" solely for this purpose) held at the EHP Entities, after giving effect to the initial Borrowing under this Agreement, the application of the proceeds thereof and to the other transactions contemplated to occur on the Closing Date, shall not exceed $25,000,000.

(x) Subject to Section 9.9, the Administrative Agent shall have received life-of-loan Federal Emergency Management Agency Standard Flood Hazard Determinations from a firm reasonably acceptable to the First Lien Exit Administrative Agent covering any Building or Manufactured (Mobile) Home constituting Collateral showing whether or not such Building or Manufactured (Mobile) Home is located in a Special Flood Hazard area subject by federal regulation to mandatory flood insurance requirements. If any Building or Manufactured (Mobile) Home is in a Special Flood Hazard Area, subject to Section 9.9, Borrower shall have also delivered copy of a notice as to the existence of a special flood hazard acknowledged by the Borrower and a copy of one of the following: (w) the Flood insurance policy in respect thereof, (x) the Borrower's application for a Flood insurance policy, together with proof of payment of the premium associated therewith, (y) a declaration page confirming that Flood insurance has been issued to the Borrower or (z) such other evidence of Flood insurance satisfactory to the Administrative Agent and the Majority Lenders (or their respective counsel).

Without limiting the generality of the provisions of Section 12.4, for purposes of determining compliance with the conditions specified in this Section 6, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matters required under this Section 6 to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received written notice from such Lender prior to the Closing Date specifying its objection thereto.

SECTION 7. [RESERVED]

SECTION 8. REPRESENTATIONS, WARRANTIES AND AGREEMENTS

In order to induce the Agents and the Lenders to enter into this Agreement and to induce the Lenders to make the Loans, the Borrower makes, on the date of each Credit Event and on each other date as required or set forth in this Agreement or any other Credit Document, the following representations and warranties to, and agreements with, the Agents and the Lenders, all of which shall survive the execution and delivery of this Agreement and the making of the Loans:

8.1 Existence, Qualification and Power. Each of the Borrower and each Restricted Subsidiary of the Borrower (a) is duly organized and validly existing under the laws of the jurisdiction of its organization and has the corporate or other organizational power and authority to own its property and assets and to transact its business as now conducted and (b) has duly qualified and is authorized to do business and is in good standing (if applicable) in all jurisdictions where it is required to be so qualified, except where the failure to be so qualified or in good standing would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

8.2 Corporate Power and Authority; Enforceability; Binding Effect. After giving effect to the Confirmation Order and the Chapter 11 Plan, each Credit Party has the corporate or other organizational power and authority to execute, deliver and carry out the terms and provisions of the Credit Documents to which it is a party and has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of the Credit Documents to which it is a party. Each Credit Party has duly executed and delivered each Credit Document to which it is a party and each such Credit Document constitutes the legal, valid and binding obligation of such Credit Party enforceable in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization and other

similar laws relating to or affecting creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or law).

8.3 No Violation. After giving effect to the Confirmation Order and the Chapter 11 Plan, none of the execution, delivery or performance by any Credit Party of the Credit Documents to which it is a party will (a) contravene any Requirement of Law, except to the extent such contravention would not reasonably be expected to result in a Material Adverse Effect, (b) result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Lien upon any of the property or assets of such Credit Party or any of the Restricted Subsidiaries (other than Liens created under the Credit Documents) pursuant to the terms of any indenture, loan agreement, lease agreement, mortgage, deed of trust, agreement or other instrument to which such Credit Party or any of the Restricted Subsidiaries is a party or by which it or any of its property or assets is bound (any such term, covenant, condition or provision, a "Contractual Requirement") except to the extent such breach, default or Lien that would not reasonably be expected to result in a Material Adverse Effect or (c) violate any provision of the Organization Documents of such Credit Party or any of the Restricted Subsidiaries.

8.4 Litigation. After giving effect to the Confirmation Order and the Chapter 11 Plan, except as set forth on Schedule 8.4, there are no actions, suits, proceedings, claims or disputes pending or, to the actual knowledge of an Authorized Officer of the Borrower, threatened in writing, at law, in equity, in arbitration or before any Governmental Authority, by or against the Borrower or any of its Restricted Subsidiaries or against any of their properties or revenues that either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

8.5 Margin Regulations. Neither the making of any Loan hereunder nor the use of the proceeds thereof will violate the provisions of Regulation T, Regulation U or Regulation X of the Board. The Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of buying or carrying Margin Stock.

8.6 Governmental Authorization; Confirmation Order. After giving effect to the Confirmation Order and the Chapter 11 Plan, the execution, delivery and performance of each Credit Document do not require any consent or approval of, registration or filing with, or other action by, any Governmental Authority or any other Person, except for (a) such as have been obtained or made and are in full force and effect, (b) filings and recordings in respect of the Liens created pursuant to the Security Documents and (c) such consents, approvals, registrations, filings or actions the failure of which to obtain or make would not reasonably be expected to have a Material Adverse Effect. The Confirmation Order is in full force and effect, not subject to any stay, nor has the Confirmation Order been amended or modified in any manner adverse to the Agents or the Lenders without the consent of the Majority Lenders.

8.7 Investment Company Act. No Credit Party is an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

8.8 True and Complete Disclosure.

(a) All written factual information delivered by or on behalf of the Borrower or any of its Subsidiaries to the Administrative Agent and the Lenders (other than the Projections, *pro forma* financial information, estimates, forecasts and other forward looking information and information of a general economic nature or general industry nature) concerning the Borrower, the Restricted Subsidiaries, the Transactions and any other transactions contemplated hereby prepared by or on behalf of the foregoing or their representatives and made available to any Lenders or the Administrative Agent in connection with the Transactions or the other transactions contemplated hereby and the negotiation of the Credit Documents

(as modified or supplemented by other information so furnished), when taken as a whole, was true and correct in all material respects, as of the date when made and did not, taken as a whole, contain any untrue statement of a material fact as of the date when made or omit to state a material fact necessary in order to make the statements contained therein, taken as a whole, not materially misleading in light of the circumstances under which such statements were made.

(b) The Projections (i) have been prepared in good faith based upon assumptions believed by the Borrower to be reasonable as of the date made (it being understood that such Projections are as to future events and are not to be viewed as facts, the projections are subject to significant uncertainties and contingencies, many of which are beyond the control of the Borrower and the Subsidiaries, that no assurance can be given that any particular projections will be realized and that actual results during the period or periods covered by any such projections may differ from the projected results and such differences may be material) and (ii) as of the Closing Date, have not been modified in any material respect by the Borrower.

(c) As of the Closing Date, neither the Borrower nor any Restricted Subsidiary has any material Indebtedness, any material guarantee obligations, contingent liabilities, off balance sheet liabilities, partnership liabilities for taxes or unusual forward or long-term commitments that, in each case, have not been disclosed in writing to the Administrative Agent.

(d) As of the Closing Date, to the knowledge of the Borrower, the information included in the Beneficial Ownership Certification delivered, on or prior to the Closing Date, to any Lender in connection with this Agreement is true and correct in all respects.

8.9 Tax Matters. Except as would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, each of the Credit Parties and the Restricted Subsidiaries have filed all tax returns required to be filed by it, and have paid all Taxes payable by it (including in its capacity as a withholding agent), except those that are being contested in good faith by appropriate proceedings and as to which adequate reserves have been provided to the extent required by and in accordance with GAAP.

8.10 Compliance with ERISA.

(a) Except as set forth on Schedule 8.10(a) or as would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, each Plan maintained by a Credit Party is in compliance with the applicable provisions of ERISA and the Code and the regulations and published interpretations thereunder and other federal or state laws.

(b) (i) No ERISA Event has occurred during the six (6) year period prior to the date on which this representation is made or deemed made or is reasonably expected to occur; (ii) neither any Credit Party nor any ERISA Affiliate has incurred, or reasonably expects to incur, any liability under Title IV of ERISA with respect to any Pension Plan (other than premiums due and not delinquent under Section 4007 of ERISA); (iii) neither any Credit Party nor any ERISA Affiliate has incurred, or reasonably expects to incur, any liability (and no event has occurred which, with the giving of notice under Section 4219 of ERISA, would result in such liability) under Sections 4201 or 4243 of ERISA with respect to a Multiemployer Plan; and (iv) neither any Credit Party nor any ERISA Affiliate has engaged in a transaction that could be subject to Sections 4069 or 4212(c) of ERISA except, with respect to each of the foregoing clauses of this Section 8.10(b), as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect or the imposition of a Lien on the assets of any Credit Party.

(c) With respect to each Pension Plan, the adjusted funding target attainment percentage as determined by the applicable Pension Plan's Enrolled Actuary under Sections 436(j) and 430(d)(2) of the

Code and all applicable regulatory guidance promulgated thereunder ("AFTAP"), would not reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect. Neither any Credit Party nor any ERISA Affiliate maintains or contributes to a Pension Plan that is, or is expected to be, in at-risk status (as defined in Section 303(i)(4) of ERISA or Section 430(i)(4) of the Code) in each case, except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(d) All Foreign Plans are in compliance with, and have been established, administered and operated in accordance with, the terms of such Foreign Plans and applicable law, except for any failure to so comply, establish, administer or operate the Foreign Plans as would not reasonably be expected to have a Material Adverse Effect. All contributions or other payments which are due with respect to each Foreign Plan have been made in full and there are no funding deficiencies thereunder, except to the extent any such events would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

8.11 Subsidiaries. Schedule 8.11 lists each Subsidiary of the Borrower (and the direct and indirect ownership interest of the Borrower therein), in each case existing on the Closing Date (after giving effect to the Transactions). Each Guarantor, Grantor, Material Subsidiary, Excluded Subsidiary and Unrestricted Subsidiary as of the Closing Date (after giving effect to the Transactions) has been so designated on Schedule 8.11.

8.12 Intellectual Property. The Borrower and each of the Restricted Subsidiaries own or have obtained valid rights to use all intellectual property, free from any burdensome restrictions, that to the knowledge of the Borrower is reasonably necessary for the operation of their respective businesses as currently conducted and as proposed to be conducted, except where the failure to obtain any such rights would not reasonably be expected to have a Material Adverse Effect.

8.13 Environmental Laws. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (i) the Credit Parties and each of their respective Subsidiaries are and, since January 1, 2017, have been in compliance with all applicable Environmental Laws and have no liability thereunder; (ii) neither the Credit Parties nor any of their respective Subsidiaries have received written notice of any Environmental Claim, nor are the Credit Parties aware of any reasonable basis for such an Environmental Claim; (iii) neither the Credit Parties nor any of their respective Subsidiaries are conducting or have been ordered by a Governmental Authority to conduct any investigation, removal, remedial, reclamation, closure, or other corrective action pursuant to any Environmental Law related to Hazardous Materials contamination at any location; (iv) neither the Credit Parties nor any of their respective Subsidiaries have treated, stored, transported, Released or disposed or arranged for disposal or transport for disposal of Hazardous Materials at, on, under or from any currently or formerly owned, leased or operated facility or from any other location in a manner that would reasonably be expected to give rise to liability of the Credit Parties or any of their respective Subsidiaries under Environmental Law and (v) there has been no Release, or to the knowledge of any Authorized Officer of the Borrower, threatened Release of any Hazardous Materials at, on or under any properties currently owned or leased by the Borrower or any of its Subsidiaries.

8.14 Properties.

(a) Assuming that all applicable Governmental Authorities have granted approvals, made recordations and taken such other actions as are necessary in connection with the Transactions and any assignments made in connection therewith, and after giving effect to the Confirmation Order and the Chapter 11 Plan, except as set forth on Schedule 8.14(a) hereto or in an exhibit to any Reserve Report Certificate delivered hereunder, the Borrower and each Restricted Subsidiary has good and defensible title to the Specified Properties evaluated in the most recently delivered Reserve Report (other than those

(i) Disposed of in compliance with this Agreement since delivery of such Reserve Report, (ii) leases that have expired in accordance with their terms and (iii) with title defects disclosed in writing to the Administrative Agent), and valid title to all its material personal properties, in each case, free and clear of all Liens other than Liens permitted by Section 10.2, except in each case where the failure to have such title would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. After giving effect to the Liens permitted by Section 10.2, the Borrower or the Restricted Subsidiary specified as the owner owns the working interests and net revenue interests attributable to the Hydrocarbon Interests as such working interests and net revenue interests are reflected in the most recently delivered Reserve Report, and the ownership of such properties shall not in any material respect obligate the Borrower or such Restricted Subsidiary to bear the costs and expenses relating to the maintenance, development and operations of each such property in an amount in excess of the working interest of each property set forth in the most recently delivered Reserve Report that is not offset by a corresponding proportionate increase in the Borrower's or such Restricted Subsidiary's net revenue interest in such property.

(b) After giving effect to the Confirmation Order and the Chapter 11 Plan, all material leases and agreements necessary for the conduct of the business of the Borrower and the Restricted Subsidiaries are valid and subsisting, in full force and effect, except to the extent that any such failure to be valid or subsisting would not reasonably be expected to have a Material Adverse Effect.

(c) After giving effect to the Confirmation Order and the Chapter 11 Plan, the rights and properties presently owned, leased or licensed by the Borrower and the Restricted Subsidiaries including all easements and rights of way, include all rights and properties necessary to permit the Borrower and the Restricted Subsidiaries to conduct their respective businesses as currently conducted, except to the extent any failure to have any such rights or properties would not reasonably be expected to have a Material Adverse Effect.

(d) After giving effect to the Confirmation Order and the Chapter 11 Plan, all of the properties of the Borrower and the Restricted Subsidiaries that are reasonably necessary for the operation of their businesses are in good working condition and are maintained in accordance with prudent business standards, except to the extent any failure to satisfy the foregoing would reasonably be expected to have a Material Adverse Effect.

(e) Schedule 8.14(e) sets forth a list of each Building which itself constitutes, or which is located on any real property which constitutes, Material Real Property (other than Specified Properties), together with the street address and/or tax parcel identification number relating thereto.

8.15 Solvency. After giving effect to the Confirmation Order, the Chapter 11 Plan and the Transactions, the Borrower and its Restricted Subsidiaries, on a consolidated basis, are Solvent.

8.16 Security Documents; Restrictions on Liens.

(a) The Security Documents create in favor of the Collateral Agent, for the benefit of the Secured Parties, a legal, valid and enforceable Lien or security interest in the respective Collateral described therein as security for the Obligations to the extent that a legal, valid, binding and enforceable Lien or security interest in such Collateral may be created under any applicable Requirement of Law, which Lien or security interest, upon the filing of financing statements, recordation of the Mortgages or the obtaining of possession or "control," in each case, as applicable, with respect to the relevant Collateral as required under the applicable UCC or applicable local law, will constitute a fully perfected Lien on, and security interest in, all right, title and interest of the Borrower and each other Credit Party thereunder in such Collateral, in each case prior and superior (except as otherwise provided for in the relevant Security Document) in right to any other Person (other than Permitted Liens), in each case to the extent that a security

interest may be perfected by the filing of a financing statement under the applicable UCC, recordation of the Mortgages under applicable local law or by obtaining possession or "control."

(b) After giving effect to the Confirmation Order and the Chapter 11 Plan, neither the Borrower nor any of the Restricted Subsidiaries is a party to any material agreement or arrangement (other than those permitted hereunder), or subject to any order, judgment, writ or decree, which either restricts or purports to restrict its ability to grant Liens to the Collateral Agent, for the benefit of the Secured Parties, on or in respect of their Oil and Gas Properties to secure the Obligations and the Credit Documents.

8.17 Gas Imbalances, Prepayments. Except as set forth on Schedule 8.17 on the Closing Date or as set forth in the most recently delivered certificate pursuant to Section 9.14(c)(v):

(a) on a net basis, there are no gas imbalances, take or pay or other prepayments exceeding one half bcf of gas (stated on an mcf equivalent basis) in the aggregate, with respect to the Borrower and the Restricted Subsidiaries' Oil and Gas Properties that would require any Credit Party or Subsidiary thereof to deliver Hydrocarbons either generally or produced from their Specified Properties at some future time without then or thereafter receiving full payment therefor; and

(b) there are no Service Agreement Undertakings.

8.18 Marketing of Production. Except as set forth on Schedule 8.18 or otherwise disclosed to the Administrative Agent in writing, no material agreements exist (which are not cancelable on 60 days' notice or less without penalty or detriment) for the sale of production of the Borrower and Restricted Subsidiaries' Hydrocarbons at a fixed non-index price (including calls on, or other rights to purchase, production, whether or not the same are currently being exercised) that (i) represent in respect of such agreements 2.5% or more of the Borrower's and its Restricted Subsidiaries' average monthly production of Hydrocarbon volumes and (ii) have a maturity or expiry date of longer than six months.

8.19 Financial Statements.

(a) The annual financial statements delivered as part of the Closing Date Financials and, on and after the first date of delivery of financial statements pursuant to Section 9.1(a), the most recent financial statements delivered pursuant to Section 9.1(a) fairly present in all material respects the financial condition of the Borrower and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby (subject to the impact of fresh start accounting), except for customary year-end adjustments and as otherwise expressly noted therein.

(b) The interim financial statements delivered as part of the Closing Date Financials and, on and after the first date of delivery of financial statements pursuant to Section 9.1(b), the most recent financial statements delivered pursuant to Section 9.1(b) fairly present in all material respects the financial condition of the Borrower and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby (subject to the impact of fresh start accounting), except for the absence of the statements of comprehensive income, equity, cash flows and complete footnotes and as otherwise expressly noted therein.

(c) Since the Closing Date, there has been no event or circumstance, either individually or in the aggregate, that has had or would reasonably be expected to have a Material Adverse Effect.

8.20 OFAC; Patriot Act; FCPA; Use of Proceeds.

(a) To the extent applicable, each of the Borrower and its Subsidiaries is in compliance, in all material respects, with (i) the Trading with the Enemy Act, as amended, the International Emergency Economic Powers Act, as amended, Sanctions Laws, the United States Foreign Corrupt Practices Act of 1977, as amended and other anti-corruption laws, and (ii) the Patriot Act. Neither the Borrower nor any of its Subsidiaries nor, to the knowledge of any Authorized Officer of the Borrower and the other Credit Parties, any director, officer, employee, agent or controlled affiliate of the Borrower or any Subsidiary is currently the subject of any Sanctions, nor is the Borrower or any of its Subsidiaries located, organized or resident in any country or territory that is the subject of comprehensive Sanctions.

(b) The proceeds of the Loans will be used for the purposes set forth in Section 9.12. No part of the proceeds of the Loans will be used, directly or, to the knowledge of any Authorized Officer of the Borrower, indirectly, by the Borrower (i) in violation of the United States Foreign Corrupt Practices Act of 1977, as amended or (ii) for the purpose of financing any activities or business (x) of or with any Person that, at the time of such financing, is the subject of any Sanctions or (y) in any country or territory that is the subject of comprehensive Sanctions.

8.21 Hedge Agreements. Schedule 8.21 sets forth, as of the Closing Date, and after the Closing Date, each report required to be delivered by the Borrower pursuant to Section 9.1(g) or as may otherwise be disclosed in writing to the Administrative Agent sets forth, a true and complete list of all material commodity Hedge Agreements of each Credit Party, the terms thereof relating to the type, term, effective date, termination date, notional amounts or volumes, and all credit support agreements relating thereto (including any margin required or supplied).

8.22 EEA Financial Institutions. Neither the Borrower nor any of its Restricted Subsidiaries is an EEA Financial Institution.

8.23 Compliance with Laws and Agreements; No Default.

(a) After giving effect to the Confirmation Order and the Chapter 11 Plan, each of the Borrower and each Restricted Subsidiary is in compliance with each Requirement of Law applicable to it or its property and all agreements and other instruments binding upon it or its property, and possesses all licenses, permits, franchises, exemptions, approvals and other governmental authorizations necessary for the ownership of its property and the conduct of its business, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

(b) No Default, Event of Default or, if prior to the Discharge of Priority Lien Obligations, Borrowing Base Deficiency has occurred and is continuing.

8.24 Insurance. The properties of the Borrower and the Restricted Subsidiaries are insured in the manner contemplated by Section 9.3. No Credit Party owns or leases any Building or Manufactured (Mobile) Home that is Mortgaged Property for which such Credit Party has not delivered to the Collateral Agent evidence or confirmation reasonably satisfactory to the Collateral Agent and the Majority Lenders (or their respective counsel) in accordance with the terms of this Agreement that (i) such Credit Party maintains Flood Insurance for such Building or Manufactured (Mobile) Home or (ii) such Building or Manufactured (Mobile) Home is not located in a Special Flood Hazard Area.

8.25 Foreign Operations. The Borrower and its Restricted Subsidiaries (a) do not have any Foreign Subsidiaries and (b) do not make any material expenditures (whether such expenditure is capital,

operating or otherwise) in or related to any Oil and Gas Properties not located within the geographical boundaries, and the territorial waters, of the United States.

SECTION 9. AFFIRMATIVE COVENANTS

The Borrower hereby covenants and agrees that on the Closing Date and thereafter, until Payment in Full has occurred:

9.1 Information Covenants. The Borrower will furnish to the Administrative Agent (which shall promptly make such information available to the Lenders in accordance with its customary practice):

(a) Annual Financial Statements. As soon as available and in any event within five (5) Business Days after the date on which such financial statements are required to be filed with the SEC (after giving effect to any permitted extensions) (but in any event on or before the date that is ninety (90) days after the end of each such fiscal year), the audited consolidated balance sheets of the Borrower and its Subsidiaries and, if different, the Borrower and the Restricted Subsidiaries, in each case as at the end of such fiscal year, and the related consolidated statements of operations, shareholders' equity and cash flows (or, in lieu of such audited financial statements of the Borrower and the Restricted Subsidiaries, a reconciliation, reflecting such financial information for the Borrower and the Restricted Subsidiaries, on the one hand, and the Borrower and the Subsidiaries, on the other hand, reflecting adjustments necessary to eliminate the accounts of Unrestricted Subsidiaries (if any) from such consolidated financial statements (for the avoidance of doubt, the Borrower shall be deemed to have satisfied the reconciliation requirement if the financial statements provide in one or more footnotes the financial information for the Unrestricted Subsidiaries, the Restricted Subsidiaries and the Borrower and its Subsidiaries on a consolidated basis)) all in reasonable detail and prepared in accordance with GAAP, and, except with respect to such reconciliation, certified by independent certified public accountants of recognized national standing whose opinion shall not be materially qualified with a scope of audit or "going concern" explanatory paragraph or like qualification or exception (other than an emphasis of matter paragraph) (other than with respect to, or resulting from, (x) the occurrence of an upcoming maturity date of any Indebtedness or (y) any prospective or actual default in the Financial Performance Covenants). Notwithstanding the foregoing, the obligations in this Section 9.1(a) may be satisfied with respect to financial information of the Borrower and its consolidated Subsidiaries by furnishing the Borrower's Form 10-K filed with the SEC; provided that if such financial information required to be provided under the first sentence of this Section 9.1(a) is included in the notes to the financial statements, such financial statements are accompanied by an opinion of independent certified public accountants whose opinion shall not be materially qualified with a scope of audit or "going concern" explanatory paragraph or like qualification or exception (other than an emphasis of matter paragraph) (other than with respect to, or resulting from, (x) the occurrence of an upcoming maturity date of any Indebtedness or (y) any prospective or actual default in the Financial Performance Covenants).

(b) Quarterly Financial Statements. As soon as available and in any event within five (5) Business Days after the date on which such financial statements are required to be filed with the SEC (after giving effect to any permitted extensions) with respect to each of the first three quarterly accounting periods in each fiscal year of the Borrower (but in any event on or before the date that is sixty (60) days after the end of each such quarterly accounting period), the consolidated balance sheets of the Borrower and the Subsidiaries and, if different, the Borrower and the Restricted Subsidiaries, in each case as at the end of such quarterly period and the related consolidated statements of operations, shareholders' equity and cash flows, and setting forth (other than after implementation of fresh start accounting) comparative consolidated figures for the related periods in the prior fiscal year or, in the case of such consolidated balance sheet, for the last day of such periods in the prior fiscal year (or, in lieu of such unaudited financial statements of the Borrower and the Restricted Subsidiaries, a reconciliation reflecting such financial information for the

Borrower and the Restricted Subsidiaries, on the one hand, and the Borrower and the Subsidiaries, on the other hand, reflecting adjustments necessary to eliminate the accounts of Unrestricted Subsidiaries (if any) from such consolidated financial statements (for the avoidance of doubt, the Borrower shall be deemed to have satisfied the reconciliation requirement if the financial statements provide in one or more footnotes the financial information for the Unrestricted Subsidiaries, the Restricted Subsidiaries and the Borrower and its Subsidiaries on a consolidated basis)), all of which shall be certified by a Financial Officer of the Borrower as fairly presenting in all material respects the financial condition, results of operations, shareholders' equity and cash flows, of the Borrower and its consolidated Subsidiaries in accordance with GAAP, subject to changes resulting from audit and normal year-end audit adjustments and the absence of footnotes, together with, if not otherwise required to be filed with the SEC, a customary management discussion and analysis describing the financial condition and results of operations of the Borrower and its Restricted Subsidiaries. Notwithstanding the foregoing, the obligations in this Section 9.1(b) may be satisfied by furnishing the Borrower's Form 10-Q filed with the SEC; provided that such financial information required to be provided under the first sentence of this Section 9.1(b) is included in the notes to the financial statements.

(c) Officer's Certificates. At the time of the delivery of the financial statements provided for in Section 9.1(a) and Section 9.1(b), a certificate of a Financial Officer of the Borrower to the effect that no Default or Event of Default exists or, if any Default or Event of Default does exist, specifying the nature and extent thereof, which certificate shall set forth (i) the calculations required to establish whether the Borrower and its Restricted Subsidiaries were in compliance with the Financial Performance Covenants as at the end of such fiscal year or period, as the case may be, (ii) any change in the identity of the Restricted Subsidiaries, Material Subsidiaries, Excluded Subsidiaries, Guarantors, Grantors and Unrestricted Subsidiaries as at the end of such fiscal year or period, as the case may be, from the Restricted Subsidiaries, Guarantors, Grantors and Unrestricted Subsidiaries, respectively, provided to the Lenders on the Closing Date or the most recent fiscal year or period, as the case may be, (iii) a calculation of Distributable Free Cash Flow for the fiscal quarter period ending on the last date of such fiscal year or period, as the case may be (iv) certification as to the compliance by the Borrower and its Restricted Subsidiaries with Section 9.3 and (v) if applicable, a copy of each other material report or opinion submitted to the Borrower or any of its Subsidiaries by independent accountants in connection with any annual, interim or special audit made by them of the books of the Borrower or any such Subsidiary, and a copy of any response by the Borrower or any such Subsidiary, or the Board of Directors of the Borrower or any such Subsidiary, to such material report or opinion.

(d) Notices. Promptly after an Authorized Officer of the Borrower or any of the Restricted Subsidiaries obtains actual knowledge thereof, notice of (i) the occurrence of any Default or Event of Default, which notice shall specify the nature thereof and what action the Borrower proposes to take with respect thereto, (ii) any litigation or governmental proceeding pending or threatened in writing against the Borrower or any of the Subsidiaries that would reasonably be expected to result in a Material Adverse Effect and (iii) the occurrence of any ERISA Event or similar event with respect to a Foreign Plan, in each case, that would reasonably be expected to have a Material Adverse Effect.

(e) Environmental Matters. Promptly after obtaining actual knowledge of any one or more of the following environmental matters, unless such environmental matters would not, individually, or when aggregated with all other such matters, be reasonably expected to result in a Material Adverse Effect, notice of:

(i) any Environmental Claim brought, filed or threatened in writing against or impacting any Credit Party or any Subsidiary thereof and any ruling, decisions or determinations arising out of any such Environmental Claim;

(ii) any condition or occurrence on any Oil and Gas Properties that (A) would reasonably be expected to result in noncompliance by any Credit Party or any Subsidiary thereof with any applicable Environmental Law or (B) would reasonably be anticipated to form the basis of an Environmental Claim against any Credit Party or any Subsidiary thereof or any Oil and Gas Properties;

(iii) any allegation that any Credit Party or any Subsidiary thereof is a potentially responsible party in connection with any Release of Hazardous Material, or any actual or threatened investigation of any Credit Party or any Subsidiary thereof or Oil and Gas Property by any Governmental Authority pursuant to any Environmental Law;

(iv) any new or modified Environmental Law impacting any Oil and Gas Property;

(v) any condition or occurrence on any Oil and Gas Properties that would reasonably be anticipated to cause such Oil and Gas Properties to be subject to any restrictions on the ownership, occupancy, use or transferability of such Oil and Gas Properties under any Environmental Law; and

(vi) the actual Release or threatened Release of any Hazardous Material on, at, under or from any facility owned or leased by a Credit Party or any Subsidiary thereof in violation of Environmental Laws or as would reasonably be expected to result in liability under Environmental Laws or the conduct of any investigation, or any removal, remedial or other corrective action under Environmental Laws in response to the actual or alleged presence, Release or threatened Release of any Hazardous Material on, at, under or from any facility owned or leased by a Credit Party or any Subsidiary thereof.

All such notices shall describe in reasonable detail the nature of the claim, investigation, condition, occurrence or removal or remedial action.

(f) Other Information. With reasonable promptness, but subject to the limitations set forth in the last sentences of Section 9.2(a) and Section 13.6, such other information regarding the operations, business affairs and the financial condition of the Borrower or the Restricted Subsidiaries as the Administrative Agent on its own behalf or on behalf of any Lender (acting through the Administrative Agent) may reasonably request in writing from time to time.

(g) Certificate of Authorized Officer – Hedge Agreements. On or before the 31st day following the Closing Date, the 46th day following the Closing Date, and thereafter, each March 1 and September 1 of each year, commencing March 1, 2021 and at the time of delivery to the First Lien Exit Administrative Agent of each Reserve Report delivered in connection with an Interim Redetermination under and as defined in the First Lien Exit Credit Agreement, a certificate of an Authorized Officer of the Borrower, setting forth (i) the calculations required to establish whether the Borrower and its Restricted Subsidiaries were in compliance with Section 9.18 as of such date and (ii) a true and complete list of all commodity Hedge Agreements of the Borrower and each Credit Party, the material terms thereof (in respect of the type, term, effective date, termination date and notional amounts or volumes), any credit support agreements relating thereto not listed on Schedule 8.21 or on any previously delivered certificate delivered pursuant to this Section 9.1(g) and any margin required or supplied under any credit support document (provided that the Borrower shall not be required to include the name or identity of and the counterparty to each such agreement).

(h) Borrowing Base Certificates. Promptly after the furnishing thereof, copies of each Borrowing Base Certificate (as defined in the First Lien Exit Credit Agreement) delivered under the First Lien Exit Credit Agreement.

(i) [Reserved].

(j) SEC and Other Filings; Reports to Shareholders. Promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by the Borrower or any Subsidiary with the SEC, or with any national securities exchange and distributed by the Borrower to its shareholders.

(k) Notices Under Material Instruments. Promptly after the furnishing thereof, copies of any financial statement, report or notice furnished to or by any Person pursuant to the terms of any preferred stock designation or agreement governing Material Indebtedness, other than this Agreement and not otherwise required to be furnished to the Lenders pursuant to any other provision of this Section 9.1.

(l) List of Purchasers. If requested by the Administrative Agent (acting at the direction of the Majority Lenders), a certificate of an Authorized Officer of the Borrower setting forth a list of Persons purchasing Hydrocarbons from the Borrower or any other Credit Party which collectively account for at least 90% of the revenues resulting from the sale of all Hydrocarbons from the Borrower and such other Credit Parties during the most recently ended fiscal year.

(m) Sales and Dispositions and Hedge Unwinds.

(i) In the event the Borrower or any Restricted Subsidiary intends to Dispose of any Specified Properties, or Equity Interests in any Person owning Specified Properties, in each case, with a PV-9 in excess of 3.0% of the PV-9 of the Specified Properties in a single transaction or in multiple transactions since the later of (A) the last Scheduled Redetermination Date (as defined in the First Lien Exit Credit Agreement) and (B) the last adjustment to the Borrowing Base under the First Lien Exit Credit Agreement (or, in each case, if no First Lien Exit Facility is in effect as of such date, since the delivery of (or scheduled delivery of) the last Reserve Report pursuant to Section 9.14), when combined with the Swap PV of any Hedge Agreements terminated, unwound, offset or otherwise Disposed of by the Borrower or any Restricted Subsidiary during such time period (for the avoidance of doubt, excluding any novation of any Hedge Agreement with respect to which the Borrower or applicable Restricted Subsidiary remains a party), three (3) Business Days (or such shorter time period agreed by the Majority Lenders in their sole discretion) prior written notice (which, for the avoidance of doubt, may be delivered by email) of such Disposition, the Specified Properties that are the subject of such Disposition, the price thereof and the anticipated date of closing and any other details thereof reasonably requested by the Administrative Agent (acting at the direction of the Majority Lenders).

(ii) In the event that the Borrower or any Restricted Subsidiary intends to terminate, unwind, create offsetting positions or otherwise Dispose of Hedge Agreements with respect to which the Borrower reasonably believes the Swap PV of which (after taking into account the economic effect (including with respect to tenor) of any other Hedge Agreement executed contemporaneously with the taking of such actions and including any anticipated decline in the mark-to market value thereof) is in excess of 3.0% of the PV-9 of the Specified Properties in a single transaction or in multiple transactions since the later of (A) the last Scheduled Redetermination Date (as defined in the First Lien Exit Credit Agreement) and (B) the last adjustment to the Borrowing Base under the First Lien Exit Credit Agreement (or, in each case, if no First Lien Exit Facility is in effect as of such date, since the delivery of (or scheduled delivery of) the last Reserve Report pursuant to Section 9.14), when combined with the Disposition of any Specified Properties, or Equity Interests in any Person owning Specified Properties made during such time period, prior or same day written notice (which, for the avoidance of doubt, may be delivered by email) of the foregoing, the anticipated decline in the mark-to-market value thereof or net cash proceeds therefrom and any other details thereof reasonably requested by the Majority Lenders.

(n) Notice of Casualty Events. Prompt written notice after an Authorized Officer of the Borrower obtains actual knowledge of the occurrence of any Casualty Event or the commencement of any action or proceeding that could reasonably be expected to result in a Casualty Event having a fair market value in excess of $50,000,000.

(o) Information Regarding the Borrower and Subsidiaries.

(i) Patriot Act. Promptly upon request, all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act and Beneficial Ownership Regulation.

(ii) Changes. Prompt written notice of (but in any event, within thirty (30) days following such change) any change (A) in a Credit Party's corporate name, (B) in the location of a Credit Party's chief executive office or principal place of business, (C) in a Credit Party's form of organization, (D) in a Credit Party's jurisdiction of organization and (E) in a Credit Party's federal taxpayer identification number.

(iii) New Subsidiaries. Prompt written notice of the formation of any Subsidiary of the Borrower (or such other time as the Majority Lenders may agree in their sole discretion), notice thereof and copies of the Organization Documents of such Subsidiary.

(iv) Organization Documents. Promptly after the execution thereof, copies of any amendment, modification or supplement to the Organization Documents of the Borrower or any Subsidiary.

(v) Beneficial Ownership. Prompt written notice of any change in the information provided in the Beneficial Ownership Certification delivered to any Lender that would result in a change to the list of beneficial owners identified in such certification.

(p) Certificate of Authorized Officer – Production Report and Lease Operating Statement. Concurrently with any delivery of each Reserve Report, a certificate of an Authorized Officer of the Borrower, setting forth, for each calendar month during the then current fiscal year to date, the volume of production of Hydrocarbons and sales attributable to production of Hydrocarbons (and the prices at which such sales were made and the revenues derived from such sales) for each such calendar month from the Specified Properties, and setting forth the related ad valorem, severance and production taxes and lease operating expenses attributable thereto for each such calendar month; provided that such certificate shall be required solely to the extent the foregoing information and its certification is not otherwise included in the applicable Reserve Report Certificate delivered in connection with such Reserve Report.

(q) Budget. Concurrently with any delivery of financial statements under Section 9.1(a) and delivery of any Reserve Report as of June 30 pursuant to Section 9.14, a reasonably detailed consolidated budget for the following fiscal year as customarily prepared by management of the Borrower (including a projected consolidated balance sheet of the Borrower and its Subsidiaries as of the end of the following fiscal year, the related consolidated statements of projected cash flow and projected income and a summary of the material underlying assumptions applicable thereto) (collectively, the "Budget"), which Budget shall in each case be accompanied by a certificate of an Authorized Officer stating that such Budget has been prepared in good faith on the basis of the assumptions stated therein, which assumptions were believed to be reasonable at the time of preparation of such Budget, it being understood that actual results may vary from such Budget and that such variations may be material.

(r) Issuance and Incurrences of Indebtedness. Five (5) Business Days prior written notice (which, for the avoidance of doubt, may be delivered by email) of the incurrence by the Borrower or any Restricted Subsidiary of any Indebtedness for borrowed money if in excess of $50,000,000 as well as the amount thereof, the anticipated closing date and definitive documentation for the foregoing and any other related information reasonably requested.

It is understood that documents required to be delivered pursuant to Sections 9.1(a) through (r) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Borrower posts such documents, or provides a link thereto on the Borrower's website on the Internet at the website address listed on Schedule 13.2, (ii) on which such documents are posted on the Borrower's behalf on IntraLinks, DebtDomain or another relevant website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent), (iii) on which such documents are filed on record with the SEC or (iv) on which such documents are transmitted by electronic mail to the Administrative Agent; provided that: (A) upon written request by the Administrative Agent (acting at the direction of the Majority Lenders), the Borrower shall deliver paper copies of such documents delivered pursuant to Sections 9.1(a), 9.1(b), 9.1(c) and 9.1(f) to the Administrative Agent for further distribution to each Lender until a written request to cease delivering paper copies is given by the Administrative Agent (acting at the direction of the Majority Lenders) and (B) the Borrower shall notify (which may be by facsimile or electronic mail) the Administrative Agent of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents (except that no such notice shall be required to the extent such documents are filed on record with the SEC). Each Lender shall be solely responsible for timely accessing posted documents or requesting delivery of paper copies of such documents from the Administrative Agent and maintaining its copies of such documents.

9.2 Books, Records and Inspections.

(a) The Borrower will, and will cause each Restricted Subsidiary to, maintain books of record and account that permit the preparation of financial statements in accordance with GAAP.

(b) The Borrower will, and will cause each of the Restricted Subsidiaries to, permit designated representatives of the Majority Lenders to visit and inspect any of its properties, to examine its financial and operating records, and to discuss its affairs, finances and accounts with its officers, and independent public accountants (subject to such accountants' customary policies and procedures), all at the reasonable expense of the Borrower and at such reasonable times during normal business hours and as often as may be reasonably desired, upon reasonable advance notice to the Borrower; provided that, excluding any such visits and inspections during the continuation of an Event of Default, the Majority Lenders shall not exercise such rights more often than two (2) times during any calendar year and only one (1) such time per calendar year shall be at the Borrower's expense; provided, further, that when an Event of Default exists, any representative of the Majority Lenders (or any of their respective representatives or independent contractors) may do any of the foregoing at the expense of the Borrower at any time during normal business hours and upon reasonable advance notice. The Majority Lenders shall give the Borrower the opportunity to participate in any discussions with the Borrower's independent public accountants. Notwithstanding anything to the contrary in this Section 9.2(b), none of the Borrower nor any Restricted Subsidiary shall be required to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter that (i) constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited by any Requirement of Law or any binding agreement or (iii) is subject to attorney-client or similar privilege or constitutes attorney work-product; provided that the Borrower shall notify the Administrative Agent and the Lenders if it is not providing any information pursuant to the foregoing clauses (i) through (iii).

9.3 Maintenance of Insurance.

(a) The Borrower will, and will cause each Restricted Subsidiary to, at all times maintain in full force and effect, pursuant to self-insurance arrangements or with insurance companies that the Borrower believes (in the good faith judgment of the management of the Borrower) are financially sound and reputable at the time the relevant coverage is placed or renewed, insurance in at least such amounts (after giving effect to any self-insurance which the Borrower believes (in the good faith judgment of management of the Borrower) is reasonable and prudent in light of the size and nature of its business) and against at least such risks (and with such risk retentions) as the Borrower believes (in the good faith judgment of management of the Borrower) is reasonable and prudent in light of the size and nature of its business; and will furnish to the Administrative Agent, upon written request from the Administrative Agent or the Majority Lenders, information presented in reasonable detail as to the insurance so carried. The Collateral Agent, for the benefit of the Secured Parties, shall be the additional insureds on any such liability insurance as its interests may appear and, if property insurance is obtained, the Collateral Agent shall be the lender loss payee under any such property insurance; provided that, so long as no Event of Default has occurred and is then continuing, the Secured Parties will provide any proceeds of such property insurance to the Borrower.

(b) With respect to any Building or Manufactured (Mobile) Home included (or required to be included) as Collateral under the Credit Documents and located on any land subject to (or required to be subject to) a Mortgage under the Credit Documents designated a "flood hazard area" in any Flood Insurance Rate Map published by the Federal Emergency Management Agency (or any successor agency), obtain flood insurance in such total amount as the Administrative Agent (at the direction of the Majority Lenders) may from time to time reasonably require, and otherwise comply with the National Flood Insurance Program as set forth in the Flood Insurance Regulation. Following the Closing Date, the Borrower shall deliver to the Administrative Agent annual renewals of each flood insurance policy or annual renewals of each force-placed flood insurance policy, as applicable. In connection with any amendment to this Agreement pursuant to which any increase, extension, or renewal of Loans is contemplated, the Borrower shall cause to be delivered to the Administrative Agent all Flood Documentation for any Mortgaged Property with respect to which Buildings or Manufactured (Mobile) Homes are included as Collateral.

9.4 Payment of Obligations; Performance of Obligations under Credit Documents.

(a) After giving effect to the Confirmation Order and the Chapter 11 Plan, the Borrower shall, and shall cause each Restricted Subsidiary to, pay, discharge or otherwise satisfy its obligations, including in respect of all Tax liabilities, assessments and governmental charges, before the same shall become delinquent or in default, except where (i) the amount or validity thereof is being contested in good faith by appropriate proceedings and the Borrower or a Subsidiary thereof has set aside on its books adequate reserves therefor in accordance with GAAP (or in the case of a Foreign Subsidiary, the comparable accounting principles in the relevant jurisdiction) or (ii) the failure to make payment could not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

(b) The Borrower will pay the Loans according to the reading, tenor and effect thereof, and the Borrower will, and will cause each Restricted Subsidiary to, do and perform every act and discharge all of the obligations to be performed and discharged by them under the Credit Documents, including, without limitation, this Agreement, at the time or times and in the manner specified.

9.5 Preservation of Existence, Compliance, Etc. Except as otherwise permitted by this Agreement, the Borrower will, and will cause each Restricted Subsidiary to (a) do, or cause to be done, all things necessary to preserve and keep in full force and effect its (i) legal existence and (ii) corporate rights and authority, except in the case of this clause (ii) to the extent that the failure to do so would not reasonably

be expected to have a Material Adverse Effect; (b) comply with all Contractual Requirements except to the extent that the failure to so comply would not reasonably be expected to have a Material Adverse Effect; and (c) maintain in effect and enforce policies and procedures designed to ensure compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with (i) the Trading with the Enemy Act, as amended, the International Emergency Economic Powers Act, as amended, Sanctions Laws, the United States Foreign Corrupt Practices Act of 1977, as amended and other anti-corruption laws, and (ii) the Patriot Act; provided, however, that the Borrower and its Restricted Subsidiaries may consummate any transaction permitted under Section 10.3, 10.4 or 10.5.

9.6 Compliance with Requirements of Law. The Borrower will, and will cause each Restricted Subsidiary to, comply with all Requirements of Law applicable to it or its property, including all governmental approvals or authorizations required to conduct its business, and to maintain all such governmental approvals or authorizations in full force and effect, except if the failure to comply therewith could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

9.7 ERISA.

(a) Promptly after the Borrower or any ERISA Affiliate knows or has reason to know of the occurrence of any of the following events that, individually or in the aggregate (including in the aggregate such events previously disclosed or exempt from disclosure hereunder, to the extent the liability therefor remains outstanding), would be reasonably likely to have a Material Adverse Effect or a Lien on the assets of any Credit Party, the Borrower will deliver to the Administrative Agent a certificate of an Authorized Officer or any other senior officer of the Borrower setting forth details as to such occurrence and the action, if any, that the Borrower or such ERISA Affiliate is required or proposes to take, together with any notices (required, proposed or otherwise) given to or filed with or by the Borrower, such ERISA Affiliate, the PBGC, a Plan participant (other than notices relating to an individual participant's benefits) or the Plan administrator with respect thereto: (i) that an ERISA Event has occurred or is likely to occur; (ii) that a Pension Plan has an Unfunded Current Liability that has or will result in a Lien under ERISA or the Code; that proceedings will be or have been instituted to terminate a Pension Plan having an Unfunded Current Liability (including the giving of written notice thereof); (iii) that a proceeding has been instituted against any Credit Party or an ERISA Affiliate pursuant to Section 515 of ERISA to collect a delinquent contribution to a Multiemployer Plan; (iv) or that any Credit Party or any ERISA Affiliate has incurred or will incur (or has been notified in writing that it will incur) any liability (including any contingent or secondary liability) pursuant to Section 409, 502(i), 502(l), 515, 4062, 4063, 4064, 4069, 4201 or 4204 of ERISA or Section 4971 or 4975 of the Code.

(b) Promptly following any request by the Administrative Agent or the Majority Lenders therefor, the Borrower will deliver to the Administrative Agent copies of (i) any documents described in Section 101(k) of ERISA that the Borrower and any of its Subsidiaries or any ERISA Affiliate may request with respect to any Multiemployer Plan and (ii) any notices described in Section 101(l) of ERISA that the Borrower and any of its Subsidiaries or any ERISA Affiliate may request with respect to any Multiemployer Plan; provided that if the Borrower, any of its Subsidiaries or any ERISA Affiliate has not requested such documents or notices from the administrator or sponsor of the applicable Multiemployer Plan, the Borrower, the applicable Subsidiaries or the ERISA Affiliates shall promptly, following a request from the Administrative Agent (at the direction of the Majority Lenders) make a request for such documents or notices from such administrator or sponsor and shall provide copies of such documents and notices promptly after receipt thereof.

9.8 Maintenance of Properties. The Borrower will, and will cause each of the Restricted Subsidiaries to, except in each case, where the failure to so comply would not reasonably be expected to

result in a Material Adverse Effect (it being understood that this Section 9.8 shall not restrict any transaction otherwise permitted by Section 10.3, 10.4 or 10.5):

(a) operate its Oil and Gas Properties and other material properties or cause such Oil and Gas Properties and other material properties to be operated in a careful and efficient manner in accordance with the practices of the industry and in compliance with all applicable Contractual Requirements and all applicable Requirements of Law, including applicable proration requirements and Environmental Laws, and all applicable Requirements of Law of every other Governmental Authority from time to time constituted to regulate the development and operation of its Oil and Gas Properties and the production and sale of Hydrocarbons and other minerals therefrom;

(b) keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, and preserve, maintain and keep in good repair, working order and efficiency (ordinary wear and tear excepted) all of its material Oil and Gas Properties and other material properties, including all equipment, machinery and facilities; and

(c) to the extent a Credit Party is not the operator of any property, the Borrower shall use commercially reasonable efforts to cause the operator to operate such property in accordance with customary industry practices.

9.9 Post-Closing Covenants. The Borrower will, and will cause each of the applicable Credit Parties to, execute and deliver the documents and complete the other actions set forth on Schedule 9.9, in each case within the time limits specified therein (or, in each case, such later time as the Majority Lenders may agree in their sole discretion).

9.10 Compliance with Environmental Laws. The Borrower will, and will cause each of the Restricted Subsidiaries to, except, in each case, to the extent that the failure to do so could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (a) comply, and take all commercially reasonable actions to cause all lessees and other Persons operating or occupying its properties to comply, with all applicable Environmental Laws and Environmental Permits; (b) obtain, maintain and renew all Environmental Permits necessary for its operations and properties; and (c) in each case to the extent the Credit Parties or Subsidiaries are required by Environmental Laws, conduct any investigation, remedial, reclamation, closure, plugging and abandonment, or other corrective action necessary to address Hazardous Materials, idle wells, or other conditions at any property or facility in accordance with applicable Environmental Laws.

9.11 Additional Guarantors, Grantors and Collateral.

(a) Subject to any applicable limitations set forth in the Guarantee or the Security Documents, the Borrower will cause (i) any direct or indirect Restricted Subsidiary (other than (1) any Excluded Subsidiary and (2) solely with respect to clause (A)(x) below, any Production Sharing Entity for so long as such Subsidiary is party to a Production Sharing Contract) formed or otherwise purchased or acquired after the Closing Date (including pursuant to a Permitted Acquisition) and (ii) any Restricted Subsidiary of the Borrower that ceases to be an Excluded Subsidiary (or, solely with respect to clause (A)(x) below, in the case of Production Sharing Entities, ceases to be a party to a Production Sharing Contract), in each case (other than with respect to clause (D) below) within thirty (30) days from the date of such formation, acquisition or cessation, as applicable (or such longer period as the Majority Lenders may agree in their reasonable discretion) to (A) execute (x) a supplement to the Guarantee, substantially in the form of Exhibit I thereto, in order to become a Guarantor; provided that the guarantee of any Foreign Subsidiary shall be limited as the Borrower may reasonably deem necessary to comply with applicable laws, rules or

regulations (including general statutory limitations, financial assistance, corporate benefit, fraudulent preference, "thin capitalization" and "capital maintenance" rules), the fiduciary duties of the directors of such subsidiary or to avoid the risk of personal civil or criminal liability for any director or officer of such subsidiary, (y) a supplement to the Collateral Agreement, substantially in the form of Exhibit I thereto, in order to become a grantor and a pledgor thereunder and (z) a counterpart to the Intercompany Note, (B) if reasonably requested by the Majority Lenders, the Administrative Agent or the Collateral Agent, within thirty (30) days after such request (or such longer period as the Majority Lenders may agree in writing in its discretion), deliver to the Administrative Agent a signed copy of an opinion, addressed to the Administrative Agent, the Collateral Agent and the Lenders, of counsel for the Credit Parties reasonably acceptable to the Majority Lenders as to such matters set forth in this Section 9.11 as the Majority Lenders, the Administrative Agent or the Collateral Agent may reasonably request, (C) as promptly as practicable after the request therefor by the Majority Lenders, the Administrative Agent or Collateral Agent, deliver to the Collateral Agent with respect to each Material Real Property (other than a Specified Property) of such Subsidiary, (i) any existing title reports or policies, (ii) abstracts, (iii) environmental assessment reports, or (iv) surveys, to the extent available and in the possession or control of the Credit Parties or their respective Subsidiaries; provided that there shall be no obligation to deliver to the Collateral Agent any existing environmental assessment report whose disclosure to the Collateral Agent would require the consent of a Person other than the Credit Parties or one of their respective Subsidiaries, where, despite the commercially reasonable efforts of the Credit Parties or their respective Subsidiaries to obtain such consent, such consent cannot be obtained, and (D)(x) as promptly as practicable after such formation, acquisition or cessation, as applicable (but in any event within thirty (30) days of such formation, acquisition or cessation, as applicable (or such longer period as the Majority Lenders may agree in their reasonable discretion)), deliver to the Administrative Agent all Flood Documentation in respect of each Material Real Property (other than Specified Property) of such Restricted Subsidiary and (y) as promptly as practicable after such Flood Documentation has been delivered to the Administrative Agent (but in any event within sixty (60) days of such formation, acquisition or cessation, as applicable (or such longer period as the Majority Lenders may agree in their reasonable discretion)) execute and deliver Mortgages to the Collateral Agent in respect of each Material Real Property (other than Specified Properties) of such Restricted Subsidiary, together with all title insurance policies, legal opinions, surveys and similar documentation delivered to the Administrative Agent or Collateral Agent in connection with other Mortgages in effect at such time or as otherwise reasonably requested by the Administrative Agent or Collateral Agent (at the direction of the Majority Lenders).

(b) Subject to any applicable limitations set forth in the Collateral Agreement, the Borrower will pledge, and, if applicable, will cause each Subsidiary Grantor (or Person required to become a Subsidiary Grantor pursuant to Section 9.11(a)) to pledge, to the Collateral Agent, for the benefit of the Secured Parties, (i) all of the Equity Interests (other than any Excluded Equity Interests) directly owned by the Borrower or any Credit Party (or Person required to become a Guarantor pursuant to Section 9.11(a)), in each case, formed or otherwise purchased or acquired after the Closing Date, pursuant to supplements to the Collateral Agreement substantially in the form of Exhibit I, thereto and (ii) except with respect to intercompany Indebtedness, all evidences of Indebtedness for borrowed money in a principal amount in excess of $2,500,000 (individually) that is owing to the Borrower or any Guarantor (or Person required to become a Guarantor pursuant to Section 9.11(a)), in each case pursuant to supplements to the Collateral Agreement substantially in the form of Exhibit I thereto.

(c) In connection with each redetermination (but not adjustment) of the Borrowing Base under the First Lien Exit Credit Agreement (or, if no First Lien Exit Facility is in effect as of such date, the delivery of a Reserve Report pursuant to Section 9.14) and from time to time upon the request of the Administrative Agent (acting at the direction of the Majority Lenders), the Borrower shall review the list of Specified Properties subject to a Mortgage (as described in Section 9.14(c)) as of such date, to ascertain whether the PV-9 of the Mortgaged Properties (calculated at the time of redetermination) meets the

Specified Properties Collateral Coverage Minimum after giving effect to exploration and production activities, acquisitions, Dispositions and production. In the event that the PV-9 of the Mortgaged Properties (calculated at the time of such review) does not meet the Specified Properties Collateral Coverage Minimum, then the Borrower shall, and shall cause the other Credit Parties to, grant, within thirty (30) days of delivery of the certificate required under Section 9.14(c) (or such longer period as the Majority Lenders may agree in their reasonable discretion), to the Collateral Agent as security for the Obligations an Acceptable Security Interest on additional Oil and Gas Properties not already subject to a Mortgage such that, after giving effect thereto, the PV-9 of the Mortgaged Properties (calculated at the time of such review) meets the Specified Properties Collateral Coverage Minimum. All such Acceptable Security Interests will be created and perfected by and in accordance with the provisions of the Security Documents, including, if applicable, any additional Mortgages. In order to comply with the foregoing, if any Restricted Subsidiary (other than a Production Sharing Entity and the EHP Entities prior to the EHP Discharge Date) places a Lien on its property and such Restricted Subsidiary is not a Guarantor, then it shall become a Guarantor and comply with the provisions of Sections 9.11(a) and (b).

(d) Without limitation of clause (a), (b) or (c) above, substantially simultaneously and prior to the delivery of any mortgage or deed of trust on any Oil and Gas Property or any other real property interest for the benefit of any other secured party and securing Indebtedness that is subject to the First Lien/Second Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement, the Borrower shall, or shall cause the relevant Credit Party to, grant to the Collateral Agent as security for the Obligations an Acceptable Security Interest on such Oil and Gas Property or other real property interest. All such Liens will be created and perfected by and in accordance with the provisions of the Security Documents, including, if applicable, any additional Mortgages. In order to comply with the foregoing, if any Restricted Subsidiary (other than an Excluded Subsidiary or any Production Sharing Entity) places a Lien on its property and such Subsidiary is not a Guarantor, then it shall become a Guarantor and comply with the provisions of Sections 9.11(a) and (b).

(e) Upon the EHP Discharge Date (and without prejudice to the requirements set forth in Section 10.1(f)), if EHP Notes are Refinanced with Indebtedness pursuant to Section 10.1(b)(ii), (n) or (o), then the Borrower shall, and shall cause its Subsidiaries to, grant a second priority security interest (subject in priority only to the Liens securing the First Lien Exit Facility and any Permitted Refinancing Indebtedness in respect thereof) in the EHP Collateral within thirty (30) days following such EHP Discharge Date, and otherwise comply with this Section 9.11.

(f) Upon (x) the acquisition by the Borrower or any other Credit Party of any Material Real Property (other than Specified Properties) or (y) any real property interests of the Borrower or any other Credit Party becoming Material Real Property (other than Specified Properties), the Borrower will, and, if applicable, will cause each other Credit Party to, (A) promptly (but in any event within five (5) Business Days (or such longer period as the Majority Lenders may agree in their reasonable discretion) of such acquisition or such real property interest becoming Material Real Property (other than Specified Properties)), provide written notice thereof to the Administrative Agent and Collateral Agent, (B) as promptly as practicable after the request therefor by the Majority Lenders, the Administrative Agent or Collateral Agent (but in any event within thirty (30) days (or such longer period as the Majority Lenders may agree in their reasonable discretion) after the request therefor), deliver to the Collateral Agent with respect to such Material Real Property, (i) any existing title reports or policies, (ii) abstracts, (iii) environmental assessment reports, or (iv) surveys, to the extent available and in the possession or control of the Credit Parties or their respective Subsidiaries; provided that there shall be no obligation to deliver to the Administrative Agent any existing environmental assessment report whose disclosure to the Administrative Agent would require the consent of a Person other than the Credit Parties or one of their respective Subsidiaries, where, despite the commercially reasonable efforts of the Credit Parties or their respective Subsidiaries to obtain such consent, such consent cannot be obtained, and (C)(x) as promptly as

practicable thereafter (but in any event within thirty (30) days (or such longer period as the Majority Lenders may agree in their reasonable discretion) after the request therefor), deliver to the Administrative Agent all Flood Documentation in respect of such Material Real Property and (y) as promptly as practicable after such Flood Documentation has been delivered to the Administrative Agent (but in any event within sixty (60) days (or such longer period as the Majority Lenders may agree in their reasonable discretion) of such acquisition or such real property interest becoming Material Real Property) execute and deliver Mortgages to the Collateral Agent in respect of such Material Real Property, together with all title insurance policies, legal opinions, surveys and similar documentation delivered to the Administrative Agent or Collateral Agent in connection with other Mortgages in effect at such time or as otherwise reasonably requested by the Administrative Agent or Collateral Agent (at the direction of the Majority Lenders). For the avoidance of doubt, the Borrower shall not execute and deliver any Mortgage on real property to secure the obligations under the First Lien Exit Facility unless it substantially concurrently executes and delivers a Mortgage in favor of the Collateral Agent and complies with the obligations under this Section 9.11(f) with respect to such real property.

(g) To the extent any Material Real Property (other than Specified Properties) that is required to be mortgaged pursuant to the Loan Documents is subject to the provisions of the Flood Insurance Regulations, at the written request of the Administrative Agent (a) (i) concurrently with the delivery of any Mortgage in favor of the Administrative Agent in connection therewith, and (ii) at any other time if necessary for compliance with applicable Flood Insurance Regulations, provide the Administrative Agent with Flood Documentation. In addition, to the extent the Borrower and the Credit Parties fail to obtain or maintain satisfactory flood insurance required pursuant to the preceding sentence with respect to any Mortgaged Property (other than of Specified Properties), the Administrative Agent shall be permitted, in its sole discretion, to obtain forced placed insurance at the Borrower's expense to ensure compliance with any applicable Flood Insurance Regulations. Notwithstanding anything to the contrary, to the extent any Real Property that is required to be Mortgaged Property is subject to the provisions of the Flood Insurance Regulations, the Borrower shall deliver to the Administrative Agent (for delivery to the Lenders) prior to the execution of a Mortgage relative to such Mortgaged Property (except for Specified Properties) a completed standard life of loan flood hazard determination form for such Mortgaged Property, and, if such Mortgaged Property is in a special flood hazard area, an acknowledged Borrower notice and a policy of flood insurance in compliance with Flood Insurance Regulations. To the extent any such Mortgaged Property is subject to the provisions of the Flood Insurance Regulations, upon the earlier of (i) twenty (20) Business Days from the date the information required by the immediately preceding sentence is provided to the Lenders and (ii) notice from each Lender that such Lender has completed all necessary diligence, the Collateral Agent may permit execution and delivery of the applicable Mortgage in favor of the Collateral Agent.

9.12 Use of Proceeds. The Borrower will use the proceeds of the Loans made on the Closing Date (i) to refinance in full the DIP Facilities and (ii) to pay Transaction Expenses. The Borrower shall not use, and shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of the Loans (A) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of the United States Foreign Corrupt Practices Act of 1977, as amended, and other applicable anti-corruption laws, (B) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Person that is, or is owned or controlled by a Person that is, at the time of such financing, the subject or target of any Sanctions, or in any country or territory that is the subject of comprehensive Sanctions, (C) in any manner that would result in the violation of any Sanctions Laws applicable to any party hereto or (D) in violation of the provisions of Regulation T, Regulation U or Regulation X of the Board.

9.13 Further Assurances.

(a) Subject to the applicable limitations set forth in the Security Documents, the Borrower will, and will cause each other Credit Party to, execute and/or deliver any and all further documents, financing statements, agreements and instruments, and take all such further actions (including the filing and recording of financing statements, fixture filings, assignments of as-extracted collateral arising from the Specified Properties, Mortgages and other documents) that the Administrative Agent, Collateral Agent or the Majority Lenders may reasonably request, in order to grant, preserve, protect and perfect the validity and priority of the security interests created or intended to be created by the applicable Security Documents, all at the expense of the Borrower and the Restricted Subsidiaries.

(b) Notwithstanding anything to the contrary in this Agreement, the Collateral Agreement, or any other Credit Document, the Majority Lenders may authorize the Collateral Agent to grant extensions of time for or waivers of the requirements of the creation or perfection of security interests in or the obtaining of title opinions or other title information, title insurance policies, legal opinions, appraisals and surveys with respect to particular assets (including extensions beyond the Closing Date for the perfection of security interests in the assets of the Credit Parties on such date) where the Majority Lenders reasonably determine, in consultation with the Borrower, that perfection or obtaining of such items is not required by law or cannot be accomplished without undue effort or expense by the time or times at which it would otherwise be required by this Agreement or the other Credit Documents.

9.14 Reserve Reports.

(a) On or before each March 1 and September 1 of each year, the Borrower shall furnish to the Administrative Agent a Reserve Report evaluating, as of the immediately preceding December 31 and June 30, the Proved Reserves and other applicable Oil and Gas Properties of the Borrower and the Credit Parties located within the geographic boundaries, and the territorial waters, of the United States of America. Each Reserve Report as of (i) December 31 shall, at the sole election of the Borrower, (a) be prepared by one or more Approved Petroleum Engineers or (b) be prepared by or under the supervision of the chief of reserves of the Borrower and be audited by one or more Approved Petroleum Engineers and (ii) June 30 shall, at the sole election of the Borrower, (y) be prepared by one or more Approved Petroleum Engineers or (z) be prepared by or under the supervision of the chief of reserves of the Borrower in accordance with the procedures used in the immediately preceding December 31 Reserve Report or the Initial Reserve Report, if no December 31 Reserve Report has been delivered.

(b) In the event of an Interim Redetermination under and as defined in the First Lien Exit Credit Agreement, the Borrower shall furnish to the Administrative Agent a Reserve Report prepared by one or more Approved Petroleum Engineers or prepared under the supervision of the chief of reserves of the Borrower or a Restricted Subsidiary.

(c) With the delivery of each Reserve Report, the Borrower shall provide to the Administrative Agent a Reserve Report Certificate from an Authorized Officer of the Borrower certifying that in all material respects:

(i) in the case of June 30 Reserve Reports prepared by or under the supervision of the chief of reserves of the Borrower or a Restricted Subsidiary, such Reserve Report has been prepared, except as otherwise specified therein, in accordance with the procedures used in the immediately preceding December 31 Reserve Report or the Initial Reserve Report, if no December 31 Reserve Report has been delivered;

(ii) for each calendar month during the then current fiscal year to date, the volume of production of Hydrocarbons and sales attributable to production of Hydrocarbons (and the prices at which such sales were made and the revenues derived from such sales) for each such calendar month from the Specified Properties, and setting forth the related ad valorem, severance and production taxes and lease operating expenses attributable thereto for each such calendar month;

(iii) the information contained in the Reserve Report and any other information delivered in connection therewith is true and correct in all material respects;

(iv) assuming that all applicable Governmental Authorities have granted approvals, made recordations and taken such other actions as are necessary in connection with the Transactions and any assignments made in connection therewith, except as set forth in an exhibit to such certificate, the Borrower or another Credit Party has good and defensible title to the material Specified Properties evaluated in such Reserve Report (other than those (w) to be acquired in connection with an acquisition, (x) Disposed of since delivery of such Reserve Report as permitted in accordance with the terms hereof, (y) leases that have expired in accordance with their terms and (z) with title defects disclosed in writing to the Administrative Agent) and such material Specified Properties are free (or will be at the time of the acquisition thereof) of all Liens except for Liens permitted by Section 10.2;

(v) except as set forth on an exhibit to such certificate, on a net basis there are (A) no gas imbalances, take or pay or other prepayments in excess of the volume specified in Section 8.17 with respect to the Credit Parties' Oil and Gas Property evaluated in such Reserve Report that would require the Borrower or any other Credit Party to deliver Hydrocarbons either generally or produced from such Oil and Gas Properties at some future time without then or thereafter receiving full payment therefor and (B) no Service Agreement Undertakings;

(vi) none of the Specified Properties have been Disposed of since the date of the last Scheduled Redetermination Date (as defined in the First Lien Exit Credit Agreement) (or if there is no outstanding First Lien Exit Facility, as of the last Reserve Report delivered pursuant to this Section 9.14) except those Specified Properties listed on such certificate as having been Disposed of; and

(vii) the certificate shall also attach, as schedules thereto, a list of (1) all material marketing agreements (which are not cancellable on sixty (60) days' notice or less without penalty or detriment) entered into subsequent to the later of the Closing Date and the most recently delivered Reserve Report for the sale of production of the Credit Parties' Hydrocarbons at a fixed non-index price (including calls on, or other parties rights to purchase, production, whether or not the same are currently being exercised) that represent in respect of such agreements 2.5% or more of the Credit Parties' average monthly production of Hydrocarbon volumes and that have a maturity date or expiry date of longer than six (6) months from the last day of such fiscal year or period, as applicable and (2) all Specified Properties that are Collateral and demonstrating compliance with (calculated at the time of delivery of such Reserve Report) the Specified Properties Collateral Coverage Minimum.

9.15 Credit Rating. The Borrower shall use commercially reasonable efforts to obtain a rating for the Facility from Moody's on or prior to the date that is forty-five (45) days following the Closing Date; provided that if the Borrower is unable to obtain such rating for the Facility on or prior to such date, the Borrower shall (i) thereafter use its commercially reasonable efforts to obtain such rating for the Facility as soon as possible, and (ii) as promptly as practicable provide to the Administrative Agent and the Lenders

any other information, documentation or other evidence reasonably requested by the Administrative Agent or the Majority Lenders in connection with the subject matter of this Section 9.15.

9.16 Title Information.

(a) On or before:

(i) the Closing Date, the Borrower will deliver title information (as delivered to (and accepted by) the First Lien Exit Administrative Agent) with respect to the Specified Properties consistent with usual and customary standards for the geographic regions in which the Specified Properties are located, taking into account the size, scope and number of leases and wells of the Borrower and its Restricted Subsidiaries as is required to demonstrate satisfactory title on 85% of the PV-9 value (excluding the PV-9 of any Production Sharing Contracts) of the Specified Properties (excluding any Oil and Gas Properties subject to Production Sharing Contracts) evaluated by the Initial Reserve Report; and

(ii) the date of delivery to the Administrative Agent of each Reserve Report required by Section 9.14(a) following the Closing Date, if requested by the Administrative Agent (at the direction of the Majority Lenders) the Borrower will deliver title information (in form and substance reasonably satisfactory to the Majority Lenders) with respect to the Specified Properties consistent with usual and customary standards for the geographic regions in which the Specified Properties are located, taking into account the size, scope and number of leases and wells of the Borrower and its Restricted Subsidiaries as is required to demonstrate satisfactory title on 85% of the PV-9 value (excluding the PV-9 of any Production Sharing Contracts) of the Specified Properties (excluding any Oil and Gas Properties subject to Production Sharing Contracts) evaluated by such Reserve Report; provided that with respect to any Oil and Gas Properties for which title information reasonably acceptable to the Majority Lenders was provided prior to the date of the current request by the Administrative Agent (at the direction of the Majority Lenders), the Borrower shall be under no obligation to provide additional title information.

(b) If title information has been provided under Section 9.16(a) and the Administrative Agent or the Majority Lenders provides written notice to the Borrower that title defects or exceptions exist with respect to such properties, then the Borrower shall, within sixty (60) days of its receipt of such notice (or such longer period as the Majority Lenders may agree in their reasonable discretion) (i) cure any such title defects or exceptions (including defects or exceptions as to priority of the Collateral Agent's Liens that are not permitted by Section 10.2) raised by such information, (ii) substitute acceptable Specified Properties having an equivalent value with no title defects or exceptions except for Liens permitted by Section 10.2 and/or (iii) deliver title information (in form and substance reasonably satisfactory to the Majority Lenders) so that the Administrative Agent shall have received title information (including title information previously made available to the Administrative Agent) reasonably satisfactory to the Majority Lenders on at least 85% of the PV-9 of the Credit Parties' Specified Properties.

9.17 Deposit Account, Securities Account and Commodity Account Control Agreements.

(a) The Borrower will, and will cause each Grantor to, in connection with any Deposit Account, Securities Account or Commodity Account, in each case, other than any Excluded Account for so long as it is an Excluded Account (i) held or maintained on the Closing Date by the Borrower or any such Grantor, promptly but in any event within thirty (30) days of the Closing Date (or such later date as the First Lien Exit Administrative Agent may agree under the First Lien Exit Credit Agreement in its sole discretion), enter into and deliver to the Collateral Agent a deposit account control agreement (a "Deposit Account Control Agreement"), securities account control agreement (a "Securities Account Control

Agreement") or commodity account control agreement (a "Commodity Account Control Agreement") with the account bank, securities intermediary or commodity intermediary, as applicable, in form and substance reasonably satisfactory to the Collateral Agent and the Majority Lenders (or their respective counsel), as applicable, for any such Deposit Account, Securities Account or Commodity Account and (ii) established or ceasing to be an Excluded Account after the Closing Date by the Borrower or any such Grantor, substantially concurrently with the establishment of such Deposit Account, Securities Account or Commodity Account or with the date an Excluded Account ceases to be an Excluded Account, as applicable (or, in each case, such later date as the First Lien Exit Administrative Agent may agree under the First Lien Exit Credit Agreement in its sole discretion (or if there is no outstanding First Lien Exit Facility, the Majority Lenders in their sole discretion)) enter into and deliver to the Collateral Agent a Deposit Account Control Agreement, Securities Account Control Agreement or Commodity Account Control Agreement, with the account bank, securities intermediary or commodity intermediary, as applicable, in form and substance reasonably satisfactory to the Collateral Agent and the Majority Lenders (or their respective counsel), as applicable, for any such Deposit Account, Securities Account or Commodity Account; provided that the Borrower or such Grantor shall be deemed to have satisfied the requirements of this Section 9.17(a)(ii) with respect to any Deposit Account, Securities Account or Commodity Account that is acquired by the Borrower or such Grantor as a result of a Permitted Acquisition, so long as, within thirty (30) days after the date of such Permitted Acquisition (or such later date as the First Lien Exit Administrative Agent may agree under the First Lien Exit Credit Agreement in its sole discretion (or if there is no outstanding First Lien Exit Facility, the Majority Lenders in their sole discretion)), the Borrower or such Grantor (A) causes such account to be subject to a Deposit Account Control Agreement, Securities Account Control Agreement or Commodity Account Control Agreement, as applicable, that satisfies the requirements of this Section 9.17(a)(ii) or (B) closes such account and transfers any funds therein to an account that satisfies the requirements of this Section 9.17(a)(ii); provided, further, that the Borrower or the applicable Grantors, or any of their respective Affiliates, do not direct or redirect any funds into any such accounts or during such thirty (30) day period, unless a Deposit Account Control Agreement, Securities Account Control Agreement or Commodity Account Control Agreement, as applicable, has been established with respect to the applicable account in accordance with this Section 9.17(a). After the occurrence and during the continuance of an Event of Default after the Discharge of Priority Lien Obligations, the Collateral Agent (at the direction of the Majority Lenders) may give instructions directing the disposition of funds credited to any Controlled Account and/or withhold any withdrawal rights from the Borrower or any Grantor with respect to funds credited to any Controlled Account.

(b) The Borrower will, and will cause each of the Grantors, on and after the date referred to in Section 9.17(a)(i), to maintain the proceeds of the Loans in a Controlled Account until such proceeds are transferred to a third party in a transaction not prohibited by the Credit Documents or a Deposit Account which is not required to be a Controlled Account for a purpose that is permitted by the Credit Documents.

9.18 Minimum Hedged Volumes.

(a) The Borrower and/or the Guarantors shall enter into (or, to the extent entered into prior to the Closing Date, maintain) Acceptable Commodity Hedge Agreements with notional volumes no less than, (x) 75% of the reasonably anticipated Hydrocarbon production in respect of crude oil from the Credit Parties' total Proved Developed Producing Reserves (as forecast based upon the Initial Reserve Report), for a period beginning in the first full month following the Closing Date through the twelfth (12^{th}) full month following the Closing Date, (y) 75% of the reasonably anticipated Hydrocarbon production in respect of crude oil from the Credit Parties' total Proved Developed Producing Reserves (as forecast based upon the Initial Reserve Report), for a period from the thirteenth (13^{th}) full month following the Closing Date through the twenty fourth (24^{th}) full month following the Closing Date and (z) 50% of the reasonably anticipated Hydrocarbon production in respect of crude oil from the Credit Parties' total Proved Developed Producing Reserves (as forecast based upon the Initial Reserve Report), for a period from the twenty-fifty

(25th) full month following the Closing Date through the thirty sixth (36th) full month following the Closing Date, in each case of (x), (y) and (z), calculated based on daily volumes on an annual basis; provided that the Borrower and/or the Guarantors shall enter into such Acceptable Commodity Hedge Agreements as described above (i) within thirty (30) days of the Closing Date (or such later date as the Majority Lenders may agree in their sole discretion), with respect to production through June 30, 2022 and (y) forty-five (45) days of the Closing Date (or such later date as the Majority Lenders may agree in their sole discretion) with respect to all other production described above.

(b) The Borrower and/or the Guarantors shall enter into (or, to the extent entered into prior to the date of determination, maintain) (and maintain at all times following the Closing Date) Acceptable Commodity Hedge Agreements, the notional volumes for which are no less than, as of the date the certificate described in Section 9.1(g) is required to be delivered, for the two (2) years that follow such date of delivery, 50% of the reasonably anticipated Hydrocarbon production in respect of crude oil from the Credit Parties' total Proved Developed Producing Reserves (as forecast based upon the most recent Reserve Report delivered pursuant to Section 9.14), calculated based on daily volumes on an annual basis.

9.19 Unrestricted Subsidiaries. The Borrower:

(a) will cause the management, business and affairs of each of the Borrower and its Restricted Subsidiaries to be conducted in such a manner (including, without limitation, by keeping separate books of account, furnishing separate financial statements of Unrestricted Subsidiaries to creditors and potential creditors thereof and by not permitting properties of the Borrower and its respective Restricted Subsidiaries to be commingled) so that each Unrestricted Subsidiary that is a corporation will be treated as a corporate entity separate and distinct from the Borrower and the Restricted Subsidiaries.

(b) will not, and will not permit any of the Restricted Subsidiaries to, incur, assume, guarantee or be or become liable for any Indebtedness of any of the Unrestricted Subsidiaries other than as permitted by Section 10.5.

(c) will not permit any Unrestricted Subsidiary to hold any Equity Interest in, or any Indebtedness of, the Borrower or any Restricted Subsidiary.

9.20 Marketing Activities. The Borrower will not, and will not permit any of its Restricted Subsidiaries to, enter into contracts for the purchase and sale of Hydrocarbons (or Hedge Agreements for the purchase and sale of Hydrocarbons) other than (i) contracts for the sale of Hydrocarbons scheduled or reasonably estimated to be produced from their Proved Reserves during the period of such contract, (ii) contracts for the sale of Hydrocarbons scheduled or reasonably estimated to be produced from Proved Reserves of third parties during the period of such contract associated with the Oil and Gas Properties of the Borrower and its Restricted Subsidiaries that the Borrower or one of its Restricted Subsidiaries has the right to market pursuant to joint operating agreements, unitization agreements or other similar contracts that are usual and customary in the Oil and Gas Business, and (iii) other contracts for the purchase and/or sale of Hydrocarbons of third parties (A) which have generally offsetting provisions (*i.e.*, corresponding pricing mechanics, delivery dates and points and volumes) such that no "position" is taken and (B) for which appropriate credit support has been taken to alleviate the material credit risks of the counterparty thereto.

SECTION 10. NEGATIVE COVENANTS.

The Borrower hereby covenants and agrees that on the Closing Date and thereafter, until Payment in Full has occurred:

10.1 Limitation on Indebtedness. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, create, incur, assume or suffer to exist any Indebtedness other than the following:

(a) Indebtedness arising under the Credit Documents;

(b) Indebtedness of the Borrower arising under (i) the First Lien Exit Facility in a principal amount not to exceed $1,250,000,000, (ii) any Permitted Refinancing Indebtedness issued or incurred to Refinance the EHP Notes and (iii) any Permitted Refinancing Indebtedness issued or incurred to Refinance such Indebtedness described in the preceding clauses (i) and (ii), so long as no Person shall guarantee such Indebtedness or Permitted Refinancing Indebtedness thereof unless such Person has guaranteed or contemporaneously guarantees the Obligations;

(c) (i) Indebtedness arising under the EHP Notes issued by EHP Midco in a principal amount not to exceed $300,000,000 and any Permitted Refinancing Indebtedness issued or incurred by the EHP Midco or EHP to Refinance such Indebtedness and (ii) an unsecured guarantee of such Indebtedness by the Borrower and a guarantee of such Indebtedness by EHP, in each case arising under the EHP Notes; provided that no Subsidiary of the Borrower (other than EHP Midco and EHP and its Subsidiaries) shall be an obligor with respect to Indebtedness incurred under this clause (c);

(d) Indebtedness of (i) the Borrower or any Guarantor owing to the Borrower or any Grantor; provided that any such Indebtedness owing by a Guarantor to a Subsidiary that is not a Guarantor shall be subordinated to the Obligations pursuant to the Intercompany Note, (ii) any Subsidiary that is not a Grantor owing to any other Subsidiary that is not a Grantor and (iii) to the extent permitted by Section 10.5, any Subsidiary that is not a Grantor owing to the Borrower or any Guarantor;

(e) Indebtedness in respect of any bankers' acceptances, bank guarantees, letters of credit, warehouse receipts or similar instruments entered into in the ordinary course of business or consistent with past practice or industry practice (including in respect of workers compensation claims, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance or other Indebtedness with respect to reimbursement-type obligations regarding workers compensation claims); provided that any reimbursement obligations in respect thereof are reimbursed within thirty (30) days following the incurrence thereof;

(f) subject to compliance with Section 10.5, Guarantee Obligations incurred by (i) Restricted Subsidiaries in respect of Indebtedness or other obligations of the Borrower or other Restricted Subsidiaries that is permitted to be incurred under this Agreement (except that a Restricted Subsidiary that is not a Guarantor may not, by virtue of this Section 10.1(f), guarantee Indebtedness that such Restricted Subsidiary could not otherwise itself incur or is expressly prohibited from guaranteeing under this Section 10.1) and (ii) the Borrower in respect of Indebtedness of Restricted Subsidiaries that is permitted to be incurred under this Agreement; provided that (A) if the Indebtedness being guaranteed under this Section 10.1(f) is subordinated to the Obligations, such Guarantee Obligations shall be subordinated to the Guarantee of the Obligations pursuant to a Subordination Agreement on terms at least as favorable to the Lenders as those contained in the subordination of such Indebtedness and (B) no guarantee by any Restricted Subsidiary of any Indebtedness under clause (i) of this Section 10.1 or Other Debt shall be permitted unless such Restricted Subsidiary shall have also provided a guarantee of the Obligations substantially on the terms set forth in the Guarantee;

(g) Guarantee Obligations (i) incurred in the ordinary course of business in respect of obligations of (or to) suppliers, customers, franchisees, lessors, licensees or sublicensees or (ii) subject to clause (f)(A) and (B) of this Section 10.1, otherwise constituting Investments permitted by Sections 10.5(d), (g), (h), (i), (n) and (q);

(h) (i) Indebtedness (including Indebtedness arising under Capitalized Leases) incurred prior to or within 365 days following the acquisition, construction, lease, repair, replacement, expansion or improvement of assets (real or personal, and whether through the direct purchase of property or the Equity Interests of a Person owning such property) to finance the acquisition, construction, lease, repair, replacement, expansion, or improvement of such assets (for the avoidance of doubt, the purchase date for any asset shall be the later of the date of completion of installation and the beginning of the full productive use of such asset); (ii) Indebtedness arising under Capitalized Leases, other than (A) Capitalized Leases in effect on the Closing Date and (B) Capitalized Leases entered into pursuant to subclause (i) above; and (iii) any Permitted Refinancing Indebtedness issued or incurred to Refinance any such Indebtedness; provided, that the aggregate principal amount of Indebtedness permitted by subclauses (i), (ii) and (iii) of this Section 10.1(h) shall not exceed the greater of $23,000,000 and 4.0% of the Borrowing Base at the time of incurrence;

(i) [Reserved];

(j) Indebtedness in respect of Hedge Agreements, subject to the limitations set forth in Section 10.10;

(k) Indebtedness of the Borrower (including, for the avoidance of doubt, with respect to any Permitted Refinancing Indebtedness issued or incurred to Refinance such Indebtedness) incurred in connection or assumed with any Permitted Acquisition or similar Investment permitted under Section 10.5 in an aggregate principal amount of Indebtedness outstanding at any time (i) not to exceed 5.75% of the Borrowing Base then in effect, so long as immediately after giving *pro forma* effect to such Permitted Acquisition or similar Investment and the incurrence or assumption of such Indebtedness, the Borrower shall be in compliance with the Financial Performance Covenants on a *pro forma* basis and no Default or Event of Default shall have occurred and be continuing or (ii) not to exceed an amount that would cause the Consolidated Total Net Leverage Ratio to exceed 2.875 to 1.00 at the time of incurrence of such Indebtedness on a *pro forma* basis, so long as immediately after giving *pro forma* effect to such Permitted Acquisition or similar Investment and the incurrence or assumption of such Indebtedness, no Default or Event of Default shall have occurred and be continuing; provided that, in each case, the Equity Interests of the Person acquired in such Permitted Acquisition or similar Investment shall be pledged to the Collateral Agent and such Person (other than a Production Sharing Entity) shall become a Guarantor in accordance with Section 9.11, and in the case of any such secured Indebtedness incurred or assumed pursuant to this Section 10.1(k), the holders of such Indebtedness have no recourse to property other than the property so acquired; provided, further, that in the case of Indebtedness incurred or assumed pursuant to this Section 10.1(k) or any applicable Permitted Refinancing Indebtedness thereof, any such Indebtedness shall have a maturity date that is after the Final Maturity Date and have a Weighted Average Life to Maturity not shorter than the longest remaining Weighted Average Life to Maturity of the Facility; provided, further, that the requirements of this Section 10.1(k) shall not apply to any Indebtedness of the type that could have been incurred under Section 10.1(h);

(l) Indebtedness arising from Permitted Intercompany Activities to the extent constituting an Investment permitted by Section 10.5;

(m) Indebtedness in respect of performance bonds, bid bonds, appeal bonds, surety bonds and completion guarantees and similar obligations, and obligations in respect of letters of credit, bank guaranties or instruments related thereto, in each case provided in the ordinary course of business or consistent with past practice or industry practice, including those incurred to secure health, safety and environmental obligations in the ordinary course of business or consistent with past practice or industry practice;

(n) (i) other additional Indebtedness, *provided* that (A) the aggregate principal amount of Indebtedness outstanding at any time pursuant to this Section 10.1(n) shall not at the time of incurrence thereof and immediately after giving effect thereto and the use of proceeds thereof on a *pro forma* basis exceed the greater of $57,500,000 and 3.45% of the Borrowing Base at the time of incurrence and (B) immediately after giving effect to the incurrence or issuance thereof and the use of proceeds therefrom, (I) the Borrower shall be in compliance with the Financial Performance Covenants on a *pro forma* basis, (II) no Default or Event of Default shall have occurred and be continuing and (III) if prior to the Discharge of Priority Lien Obligations, no Borrowing Base Deficiency shall result therefrom and (ii) any Permitted Refinancing Indebtedness issued or incurred to Refinance such Indebtedness;

(o) Indebtedness in respect of (i) unsecured senior, unsecured senior subordinated or unsecured subordinated Permitted Additional Debt; provided that (x) immediately after giving effect to the incurrence or issuance thereof and the use of proceeds therefrom, (A) the Borrower shall be in compliance with the Financial Performance Covenants on a *pro forma* basis, (B) no Default or Event of Default shall have occurred and be continuing and (C) if prior to the Discharge of Priority Lien Obligations, no Borrowing Base Deficiency shall result therefrom and to the extent such Indebtedness is expressly subordinated in right of payment to the Obligations, such Indebtedness shall be subject to a Subordination Agreement, and (ii) any Permitted Refinancing Indebtedness issued or incurred to Refinance such Indebtedness;

(p) cash management obligations, cash management services and other Indebtedness in respect of netting services, automatic clearing house arrangements, employees' credit or purchase cards, overdraft protections and similar arrangements;

(q) Indebtedness incurred in the ordinary course of business in respect of obligations of the Borrower or any Restricted Subsidiary to pay the deferred purchase price of goods or services or progress payments in connection with such goods and services;

(r) Indebtedness arising from agreements of the Borrower or any Restricted Subsidiary providing for indemnification, adjustment of purchase price or similar obligations (including earn-outs), in each case assumed or entered into in connection with the Transactions or other Investments permitted by Section 10.5 and the Disposition of any business, assets or Equity Interests not prohibited hereunder;

(s) Indebtedness of the Borrower or any Restricted Subsidiary consisting of obligations to pay insurance premiums;

(t) Indebtedness representing deferred compensation to employees, consultants or independent contractors of the Borrower or, to the extent attributable to the ownership or operation of the Borrower and its Subsidiaries and the Restricted Subsidiaries incurred in the ordinary course of business or consistent with past practice or industry practice;

(u) Indebtedness consisting of obligations of the Borrower and the Restricted Subsidiaries under deferred compensation or other similar arrangements incurred by such Person in connection with the Transactions or any other Investment permitted hereunder;

(v) Indebtedness associated with bonds or surety obligations required by Requirements of Law or by Governmental Authorities in connection with the operation of Oil and Gas Properties in the ordinary course of business;

(w) Indebtedness supported by a letter of credit issued under the First Lien Exit Facility, in a principal amount not to exceed the face amount of such letter of credit;

(x) Indebtedness consisting of obligations in respect of Service Agreement Undertakings permitted under Section 10.16;

(y) all premiums (if any), interest (including post-petition interest), fees, expenses, charges, and additional or contingent interest on obligations described in clauses (a) through (x) above; and

(z) Indebtedness arising from the letters of credit outstanding as of the date hereof and set forth on Schedule 10.1(z); provided, that the Borrower shall use commercially reasonable efforts to replace such letters of credit within thirty (30) days of the Closing Date.

For the purposes of determining compliance with, and the outstanding principal amount of Indebtedness incurred pursuant to and in compliance with, this Section 10.1, in the event that Indebtedness meets the criteria of more than one of the types of Indebtedness described in this Section 10.1, the Borrower, in its sole discretion, shall classify, and may from time to time reclassify, such item of Indebtedness and only be required to include the amount and type of such Indebtedness in one of the clauses of this Section 10.1.

10.2 Limitation on Liens. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, create, incur, assume or suffer to exist any Lien upon any property or assets of any kind (real or personal, tangible or intangible) of the Borrower or any Restricted Subsidiary, whether now owned or hereafter acquired, except:

(a) Liens arising under the Credit Documents to secure the Obligations or permitted in respect of any Mortgaged Property by the terms of the applicable Mortgage;

(b) Permitted Liens;

(c) Liens (including liens arising under Capitalized Leases to secure obligations under any Capitalized Lease) securing Indebtedness permitted pursuant to Section 10.1(h); provided that (i) such Liens attach concurrently with or within 365 days after the acquisition, lease, repair, replacement, construction, expansion or improvement (as applicable) financed thereby, (ii) other than the property financed by such Indebtedness, such Liens do not at any time encumber any property, except for replacements thereof and accessions and additions to such property and the proceeds and the products thereof and customary security deposits and (iii) with respect to Capitalized Leases, such Liens do not at any time extend to or cover any assets (except for accessions and additions to such assets, replacements and products thereof and customary security deposits) other than the assets subject to, or acquired, constructed, repaired, replaced or improved with the proceeds of, such Indebtedness; provided that in each case individual financings provided by one lender may be cross collateralized to other financings provided by such lender (and its Affiliates);

(d) Liens existing on the date hereof that are listed on Schedule 10.2(d);

(e) Liens to secure any refinancing, refunding, extension, renewal or replacement (or successive refinancings, refundings, extensions, renewals or replacements) as a whole, or in part, of any Indebtedness secured by any Lien permitted by this Section 10.2; provided that (x) such new Lien shall be limited to all or part of the same type of property that secured the original Indebtedness (plus improvements on and accessions to such property) (or upon or in after-acquired property (i) that is affixed or incorporated into the property covered by such Lien or (ii) if the terms of such Indebtedness require or include a pledge of after-acquired property (it being understood that such requirement shall not be permitted to apply to any property to which such requirement would not have applied but for such acquisition)), (y) the Indebtedness secured by such Lien at such time is not increased to any amount greater than the sum of (A) the outstanding

principal amount or, if greater, committed amount of the applicable Indebtedness at the time the original Lien became a Lien permitted hereunder, and (B) an amount necessary to pay any fees and expenses, including premiums, related to such refinancing, refunding, extension, renewal or replacement and (z) on the date of the incurrence of the Indebtedness secured by such Liens, the grantors of any such Liens shall comprise only the same Persons or a subset of such Persons that were the grantors of the Liens securing the debt being refinanced, refunded, extended, renewed or replaced;

(f) Liens existing on the assets of any Person that becomes a Subsidiary, or existing on assets acquired (other than Liens on the Equity Interests of any Person that becomes a Restricted Subsidiary), pursuant to a Permitted Acquisition or other Investment permitted by Section 10.5; provided that (1) if the Liens on such assets secure Indebtedness, such Indebtedness is permitted under Section 10.1(k), (2) such Liens attach at all times only to the same assets (or upon or in after-acquired property that is (i) affixed or incorporated into the property covered by such Lien, (ii) after-acquired property subject to a Lien securing Indebtedness permitted under Section 10.1(k), the terms of which Indebtedness require or include a pledge of after-acquired property (it being understood that such requirement shall not be permitted to apply to any property to which such requirement would not have applied but for such acquisition) and (iii) the proceeds and products thereof) that such Liens attached to, and to the extent such Liens secure Indebtedness, secure only the same Indebtedness (or any Permitted Refinancing Indebtedness incurred to Refinance such Indebtedness) that such Liens secured, immediately prior to such Permitted Acquisition or other Investment and (3) if the Liens on such assets secure Indebtedness and attach to any Collateral, such Liens are Junior Liens and the representative of the holders of such Indebtedness becomes party to a Junior Lien Intercreditor Agreement;

(g) Liens securing Indebtedness or other obligations (i) of the Borrower or a Restricted Subsidiary in favor of a Guarantor and (ii) of any Restricted Subsidiary that is not a Guarantor in favor of any Restricted Subsidiary that is not a Guarantor;

(h) Liens (i) of a collecting bank arising under Section 4-210 of the UCC on items in the course of collection, (ii) attaching to commodity trading accounts or other commodity brokerage accounts incurred in the ordinary course of business and (iii) in favor of a banking institution arising as a matter of law encumbering deposits (including the right of set-off) or other funds maintained with a financial institution (including the right of setoff) and that are within the general parameters customary in the banking industry or arising pursuant to such banking institution's general terms and conditions;

(i) Liens (i) on cash advances in favor of the seller of any property to be acquired in an Investment permitted pursuant to Section 10.5 to be applied against the purchase price for such Investment and (ii) consisting of an agreement to Dispose of any property in a transaction permitted under Section 10.4, in each case, solely to the extent such Investment or Disposition, as the case may be, would have been permitted on the date of the creation of such Lien;

(j) Liens arising out of conditional sale, title retention, consignment or similar arrangements for sale or purchase of goods entered into by the Borrower or any of the Restricted Subsidiaries in the ordinary course of business permitted by this Agreement;

(k) Liens deemed to exist in connection with Investments in repurchase agreements permitted under Section 10.5;

(l) Liens encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to brokerage accounts incurred in the ordinary course of business and not for speculative purposes;

(m) Liens that are contractual rights of set-off (i) relating to the establishment of depository relations with banks not given in connection with the issuance or incurrence of Indebtedness, (ii) relating to pooled deposit or sweep accounts of the Borrower or any Restricted Subsidiary to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Borrower and the Restricted Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of the Borrower or any Restricted Subsidiary in the ordinary course of business;

(n) Liens solely on any cash earnest money deposits made by the Borrower or any of the Restricted Subsidiaries in connection with any letter of intent or purchase agreement in connection with an Investment permitted by Section 10.5;

(o) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;

(p) the prior right of consignees and their lenders under consignment arrangements entered into in the ordinary course of business;

(q) agreements to subordinate any interest of the Borrower or any Restricted Subsidiary in any accounts receivable or other proceeds arising from inventory consigned by the Borrower or any Restricted Subsidiary pursuant to an agreement entered into in the ordinary course of business;

(r) Liens securing (i) Indebtedness permitted by Section 10.1(b) and (ii) obligations under "Secured Hedge Agreements" (as defined in the First Lien Exit Credit Agreement) and "Secured Cash Management Agreements" (as defined in the First Lien Exit Credit Agreement); provided that such Liens are subject to a First Lien/Second Lien Intercreditor Agreement;

(s) Liens solely on the EHP Collateral securing Indebtedness permitted by Section 10.1(b)(ii) and (c);

(t) Liens securing any Indebtedness permitted by Section 10.1(f) (solely and to the same extent that the Indebtedness guaranteed by such Guarantee Obligations is permitted to be subject to a Lien hereunder), Section 10.1(m), Section 10.1(p) (as long as such Liens attach only to cash and securities and securities held by the relevant cash management bank) and Section 10.1(v);

(u) Liens arising pursuant to Section 107(l) of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9607(l), or other Environmental Law, unless such Lien (i) by action of the lienholder, or by operation of law, takes priority over any Liens arising under the Credit Documents on the property upon which it is a Lien, or (ii) materially impairs the use of the property covered by such Lien for the purposes for which such property is held;

(v) Liens on cash or Permitted Investments held by a trustee under any indenture or other debt agreement issued in escrow pursuant to customary escrow arrangements pending the release thereof, or under any indenture or other debt agreement pursuant to customary discharge, redemption or defeasance provisions, in each case solely to the extent the relevant release, discharge, redemption or defeasance would be permitted hereunder;

(w) additional Liens on property not constituting Collateral securing obligations not in excess of the greater of (i) $57,500,000 and (ii) 3.45% of the Borrowing Base outstanding at any time;

(x) Liens on Equity Interests in (i) a joint venture that does not constitute a Subsidiary securing obligations of such joint venture so long as the assets of such joint venture do not constitute Collateral and (ii) Unrestricted Subsidiaries; and

(y) Liens arising from judgments or decrees in circumstances not constituting an Event of Default under Section 11.9.

For purposes of determining compliance with this Section 10.2, (i) a Lien need not be incurred solely by reference to one category of Liens permitted under this Section 10.2, but may be incurred under any combination of such categories (including in part under one such category and in part under any other such category) and (ii) in the event that a Lien (or any portion thereof) meets the criteria of one or more of such categories of Liens permitted under this Section 10.2, the Borrower shall, in its sole discretion, classify or reclassify such Lien (or any portion thereof) in any manner that complies with this Section 10.2. In addition, with respect to any Lien securing Indebtedness that was permitted to secure such Indebtedness at the time of the incurrence of such Indebtedness, such Lien shall also be permitted to secure any and all premiums, interest (including post-petition interest), fees, expenses, charges, and additional or contingent interest on obligations of such Indebtedness.

No intention to subordinate the second priority Lien granted in favor of the Collateral Agent, for the benefit of the Secured Parties, is to be hereby implied or expressed by the permitted existence of the Liens permitted under this Section 10.2 or the use of the phrase "subject to" when used in connection with Permitted Liens, Liens permitted by this Section 10.2 or otherwise.

10.3 Limitation on Fundamental Changes. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, consummate any merger, division, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or Dispose of, all or substantially all its business units, assets or other properties, except that:

(a) any Subsidiary of the Borrower or any other Person may be merged, amalgamated or consolidated with or into the Borrower; provided that (i) the Borrower shall be the continuing or surviving Person (and the Borrower shall remain an entity organized or existing under the laws of the United States, any state thereof or the District of Columbia) or, in the case of a merger, amalgamation or consolidation with or into the Borrower, the Person formed by or surviving any such merger, amalgamation or consolidation shall be an entity organized or existing under the laws of the United States, any state thereof or the District of Columbia (the Borrower or such Person, as the case may be, being herein referred to as the "Successor Borrower"), (ii) the Successor Borrower (if other than the Borrower) shall expressly assume all the obligations of the Borrower under this Agreement and the other Credit Documents pursuant to a supplement hereto or thereto in form reasonably satisfactory to the Administrative Agent, (iii) no Default, Event of Default or, if prior to the Discharge of Priority Lien Obligations, Borrowing Base Deficiency has occurred and is continuing at the date of such merger, amalgamation or consolidation or would result from such consummation of such merger, amalgamation or consolidation, (iv) the Borrower's Consolidated Secured Net Leverage Ratio on a *pro forma* basis shall not exceed that of the Borrower immediately prior to the consummation of such merger, amalgamation or consolidation, (v) such merger, amalgamation or consolidation does not adversely affect the Collateral, taken as a whole, in any material respect, (vi) if such merger, amalgamation or consolidation involves the Borrower and a Person that, prior to the consummation of such merger, amalgamation or consolidation, is not a Subsidiary of the Borrower (A) each Guarantor, unless it is the other party to such merger, amalgamation or consolidation or unless the Successor Borrower is the Borrower, shall have by a supplement to the Guarantee confirmed that its Guarantee shall apply to the Successor Borrower's obligations under this Agreement, (B) each Subsidiary grantor and each Subsidiary pledgor, unless it is the other party to such merger, amalgamation or consolidation or unless the Successor Borrower is the Borrower, shall have by a supplement to the Credit Documents confirmed that

its obligations thereunder shall apply to the Successor Borrower's obligations under this Agreement, (C) each mortgagor of a Mortgaged Property, unless it is the other party to such merger, amalgamation or consolidation or unless the Successor Borrower is the Borrower, shall have by an amendment to or restatement of the applicable Mortgage confirmed that its obligations thereunder shall apply to the Successor Borrower's obligations under this Agreement, (D) the Borrower shall have delivered to the Administrative Agent an officer's certificate stating that such merger, amalgamation or consolidation and any supplements to the Credit Documents preserve the enforceability of the Guarantee and the perfection and priority of the Liens under the Security Documents and as to the matters of the nature referred to in Section 6(c), (E) if reasonably requested by the Administrative Agent (acting at the direction of the Majority Lenders), an opinion of counsel shall be required to be provided to the effect that such merger, amalgamation or consolidation does not violate this Agreement or any other Credit Document and as to such other matters regarding the Successor Borrower and the Credit Documents as the Majority Lenders or their counsel may reasonably request; provided, further, that if the foregoing are satisfied, the Successor Borrower (if other than the Borrower) will succeed to, and be substituted for, the Borrower under this Agreement and (F) such merger, amalgamation or consolidation shall comply with all the conditions set forth in the definition of the term "Permitted Acquisition" or is otherwise permitted under Section 10.5; (vii) the Administrative Agent shall have received at least five (5) days prior to the date of such merger, amalgamation or consolidation all documentation and other information about such Successor Borrower, Subsidiary or other Person required under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act that has been requested by the Administrative Agent; and (viii) such Subsidiary or other Person shall have executed a customary joinder to the First Lien/Second Lien Intercreditor Agreement and any then-existing Junior Lien Intercreditor Agreement;

(b) any Subsidiary of the Borrower or any other Person (other than the Borrower) may be merged, amalgamated or consolidated with or into any one or more Subsidiaries of the Borrower; provided that (i) in the case of any merger, amalgamation or consolidation involving one or more Restricted Subsidiaries, (A) a Restricted Subsidiary shall be the continuing or surviving Person or (B) the Borrower shall take all steps necessary to cause the Person formed by or surviving any such merger, amalgamation or consolidation (if other than a Restricted Subsidiary) to become a Restricted Subsidiary, (ii) in the case of any merger, amalgamation or consolidation involving one or more Guarantors, unless otherwise permitted by Section 10.5, a Guarantor shall be the continuing or surviving Person or the Person formed by or surviving any such merger, amalgamation or consolidation (if other than a Guarantor) shall execute a supplement to the Guarantee, the Collateral Agreement and any applicable Mortgage, and a joinder to the Intercompany Note and the First Lien/Second Lien Intercreditor Agreement and any other then-existing Junior Lien Intercreditor Agreement, in form and substance reasonably satisfactory to the Collateral Agent in order for the surviving Person to become a Guarantor, and pledgor, mortgagor and grantor of Collateral for the benefit of the Secured Parties and to acknowledge and agree to the terms of the Intercompany Note, the First Lien/Second Lien Intercreditor Agreement and any then-existing Junior Lien Intercreditor Agreement, (iii) no Default, Event of Default or, if prior to the Discharge of Priority Lien Obligations, Borrowing Base Deficiency has occurred and is continuing on the date of such merger, amalgamation or consolidation or would result from the consummation of such merger, amalgamation or consolidation, (iv) if such merger, amalgamation or consolidation involves a Subsidiary and a Person that, prior to the consummation of such merger, amalgamation or consolidation, is not a Restricted Subsidiary of the Borrower, (A) the Borrower's Consolidated Secured Net Leverage Ratio on a *pro forma* basis shall not exceed that of the Borrower immediately prior to the consummation of such merger, amalgamation or consolidation, (B) the Borrower shall have delivered to the Administrative Agent an officer's certificate stating that such merger, amalgamation or consolidation and such supplements to any Credit Document preserve the enforceability of the Guarantee and the perfection and priority of the Liens under the Collateral Agreement and (C) such merger, amalgamation or consolidation shall comply with all the conditions set forth in the definition of the term "Permitted Acquisition" or is otherwise permitted under Section 10.5; and (v) the Administrative Agent shall have received at least five (5) days prior to the date of such merger,

amalgamation or consolidation all documentation and other information about such Subsidiary or other Person required under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act that has been requested by the Administrative Agent or any Lender;

(c) any Restricted Subsidiary that is not a Grantor (other than EHP Topco and EHP Midco) may (i) merge, amalgamate or consolidate with or into any other Restricted Subsidiary that is not a Grantor (other than EHP Topco and EHP Midco) and (ii) Dispose of any or all of its assets (upon voluntary liquidation or otherwise) to the Borrower, a Guarantor or any other Restricted Subsidiary of the Borrower (other than to the EHP Entities prior to the EHP Discharge Date or to the Production Sharing Entities);

(d) any Subsidiary Guarantor may (i) merge, amalgamate or consolidate with or into any other Subsidiary Guarantor and (ii) Dispose of any or all of its assets (upon voluntary liquidation or otherwise) to the Borrower or any Guarantor;

(e) any Restricted Subsidiary may liquidate or dissolve if (i) the Borrower determines in good faith that such liquidation or dissolution is in the best interests of the Borrower and is not materially disadvantageous to the Lenders and (ii) to the extent such Restricted Subsidiary is a Credit Party, any assets or business of such Restricted Subsidiary not otherwise Disposed of or transferred in accordance with Section 10.4 or 10.5, in the case of any such business, discontinued, shall be transferred to, or otherwise owned or conducted by, a Guarantor after giving effect to such liquidation or dissolution; provided, that no Production Sharing Contract shall be Disposed of or transferred to the Borrower or a Guarantor;

(f) the Borrower and its Restricted Subsidiaries may consummate the Transactions;

(g) the Borrower and the Restricted Subsidiaries may consummate a merger, dissolution, liquidation, amalgamation, consolidation or Disposition, the purpose of which is to effect a Disposition permitted pursuant to Section 10.4 or an Investment permitted by Section 10.5;

(h) a Credit Party may consummate any merger the sole purpose of which is to reincorporate or reorganize such Credit Party in another jurisdiction in the United States as long as such merger does not adversely affect the value of the Collateral in any material respect and the surviving entity assumes all Obligations of the applicable Credit Party under the Credit Documents by delivering the information required by Section 9.11 and delivers any applicable information required by Section 9.1(o); and

(i) any Production Sharing Entity may (i) merge, amalgamate or consolidate with or into any other Production Sharing Entity and (ii) Dispose of any or all of its assets (upon voluntary liquidation or otherwise) to any other Production Sharing Entity.

10.4 Limitation on Sale of Assets. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, (x) convey, sell, lease, sell and leaseback, assign, transfer (including any Production Payments and Reserve Sales) or otherwise dispose of any of its property, business or assets (including receivables and leasehold interests), whether now owned or hereafter acquired or (y) sell to any Person any shares owned by it of any Restricted Subsidiary's Equity Interests (each of the foregoing a "Disposition"), except that:

(a) the Borrower and the Restricted Subsidiaries may Dispose of (i) inventory and other goods held for sale, including Hydrocarbons, obsolete, worn out, used or surplus equipment, vehicles and other assets (other than accounts receivable) in the ordinary course of business, (ii) Permitted Investments and (iii) assets for the purposes of community and public outreach, including, without limitation, charitable contributions and similar gifts, funding of or participation in trade, business and technical associations, and political contributions made in accordance with applicable Requirement of Law, to the extent such assets

are not material to the ability of the Borrower and its Subsidiaries, taken as a whole, to conduct its business in the ordinary course;

(b) the Borrower and the Restricted Subsidiaries may Dispose of any Specified Properties (or of any Subsidiary owning such Specified Properties) (other than Production Sharing Contracts), including Dispositions in respect of Production Payments and Reserve Sales and in connection with operating agreements, Farm-In Agreements, Farm-Out Agreements, joint exploration and development agreements and other agreements customary in the oil and gas industry for the purpose of developing such Oil and Gas Properties, so long as (i) such Disposition is for Fair Market Value, (ii) at least 75% of the consideration for such Disposition is cash received by the Borrower or Restricted Subsidiary making such Disposition and (iii) no Event of Default or, if prior to the Discharge of Priority Lien Obligations, Borrowing Base Deficiency exists or would result therefrom (unless, in the case of a Borrowing Base Deficiency, the net cash proceeds of such Disposition are sufficient, together with Unrestricted Cash, to eliminate any Borrowing Base Deficiency that would result therefrom); provided that the Net Cash Proceeds of such Disposition shall be applied and/or reinvested as (and to the extent) required by Section 5.2(b);

(c) (i) the Borrower and the Guarantors may Dispose of property or assets to any other Guarantor, (ii) any Restricted Subsidiary may Dispose of property or assets (other than a Production Sharing Contract) to the Borrower or to a Guarantor, (iii) any Restricted Subsidiary that is not a Guarantor may Dispose of property or assets to any other Restricted Subsidiary that is not a Guarantor (other than EHP Entities) and (iv) the Production Sharing Entities may Dispose of Production Sharing Contracts to any other Production Sharing Entity;

(d) to the extent such transaction constitutes a Disposition, the Borrower and any Restricted Subsidiary may effect any transaction permitted by Sections 10.2 (other than Section 10.2(t)), Section 10.3 (other than Section 10.3(g)), Section 10.5 (other than Section 10.5(t)) or Section 10.6 (other than in the case of Section 10.6, to the extent any such Restricted Payment by the Borrower consists of Oil and Gas Properties);

(e) the Borrower and the Restricted Subsidiaries may lease, sublease, license or sublicense real property (other than Oil and Gas Properties, except to the extent such Oil and Gas Properties represent fee owned real property leased to a Guarantor), personal property or intellectual property in the ordinary course of business; provided that, with respect to intellectual property, the Borrower or any of its Restricted Subsidiaries receives (or retains) a license or other ownership rights to use such intellectual property;

(f) Dispositions (including like-kind exchanges and reverse like-kind exchanges) of property to the extent that (i) such property is exchanged for credit against the purchase price of similar replacement property or (ii) the proceeds of such Disposition are applied to the purchase price of such replacement property;

(g) (i) Dispositions of, or Farm-Out Agreements with respect to, undeveloped acreage to which no Proved Reserves are attributable and assignments in connection with such Dispositions or Farm-Out Agreements and (ii) Dispositions of surface interests or properties that are not Specified Properties in connection with the development of solar assets on such surface interests or properties;

(h) Dispositions of Investments in joint ventures (regardless of the form of legal entity) to the extent required by, or made pursuant to, customary buy/sell arrangements between the joint venture parties set forth in joint venture arrangements and similar binding arrangements;

(i) transfers of property subject to a Casualty Event or in connection with any condemnation proceeding with respect to Collateral; provided that the Net Cash Proceeds of such Disposition shall be applied and/or reinvested as (and to the extent) required by Section 5.2;

(j) the unwinding or termination of any Hedge Agreement (subject to the terms of Section 10.4(b)); provided that the Net Cash Proceeds of such Disposition shall be applied and/or reinvested as (and to the extent) required by Section 5.2;

(k) Dispositions of, or Farm-Out Agreements with respect to, Oil and Gas Properties or any interest therein, or the Equity Interests of any Restricted Subsidiary or of any Minority Investment owning such Oil and Gas Properties, in each case that are not Specified Properties and other assets not included in the Borrowing Base; provided, that (i) such Disposition shall be for Fair Market Value and (ii) any Net Cash Proceeds of such Disposition shall be applied and/or reinvested as (and to the extent) required by Section 5.2;

(l) any issuance or sale of Equity Interests in, or sale of Indebtedness or other securities of, an Unrestricted Subsidiary (or a Restricted Subsidiary which owns an Unrestricted Subsidiary so long as such Restricted Subsidiary owns no assets other than the Equity Interests of such Unrestricted Subsidiary); provided that the Net Cash Proceeds of such Disposition shall be applied and/or reinvested as (and to the extent) required by Section 5.2;

(m) any swap of assets (other than cash equivalents) in exchange for services or assets of the same type in the ordinary course of business of comparable or greater value or usefulness to the business of the Borrower and its Subsidiaries as a whole, as determined in good faith by the management of the Borrower;

(n) Disposition of any asset between or among the Borrower and/or the Guarantors as a substantially concurrent interim Disposition in connection with a transaction permitted by Section 10.3, or in connection with an Investment otherwise permitted pursuant to Section 10.5 or a Disposition otherwise permitted pursuant to clauses (a) through (m) above;

(o) the lapse or abandonment in the ordinary course of business of any registrations or applications for registration of any immaterial intellectual property rights; and

(p) Dispositions for Fair Market Value of assets up to an aggregate value for all such Dispositions of $11,500,000 in any fiscal year; provided that the Net Cash Proceeds of such Disposition shall be applied and/or reinvested as (and to the extent) required by Section 5.2;

(q) Dispositions listed on Schedule 10.4(q); provided that the Net Cash Proceeds of such Disposition shall be applied and/or reinvested as (and to the extent) required by Section 5.2;

(r) Dispositions required to be made pursuant to Section 9.15 of the Note Purchase Agreement as in effect on the Closing Date and the transactions contemplated thereby; and

(s) Disposition of any easement on any surface rights to any Governmental Authority to satisfy the requirements of any "conservation easements" or similar programs established by any Governmental Authority; provided that such Disposition does not materially impair the exploitation and development of the affected Oil and Gas Properties.

To the extent any Collateral is Disposed of as expressly permitted by this Section 10.4 to any Person other than a Credit Party, such Collateral shall be sold free and clear of the Liens created by the

Credit Documents, and, if requested by the Administrative Agent, upon the certification by the Borrower that such Disposition is permitted by this Agreement, the Administrative Agent shall be authorized to take any actions deemed appropriate in order to effect the foregoing at Borrower's sole cost and expense.

10.5 Limitation on Investments. The Borrower will not, and will not permit any of the Restricted Subsidiaries, to (i) purchase or acquire (including pursuant to any merger, consolidation or amalgamation with a person that is not a Wholly Owned Subsidiary immediately prior to such merger, consolidation or amalgamation) any Equity Interests, evidences of Indebtedness or other securities of any other Person, (ii) make any loans or advances to or guarantees of the Indebtedness of any other Person, or (iii) purchase or otherwise acquire (in one transaction or a series of related transactions) (x) all or substantially all of the property and assets or business of another Person or (y) assets constituting a business unit, line of business or division of such Person (each, an "Investment"), except:

(a) extensions of trade credit and purchases of assets and services (including purchases of inventory, supplies and materials) in the ordinary course of business;

(b) Investments in assets that constituted Permitted Investments at the time such Investments were made;

(c) loans and advances to officers, directors, employees and consultants of the Borrower or any of its Restricted Subsidiaries (i) for reasonable and customary business-related travel, entertainment, relocation and analogous ordinary business purposes (including employee payroll advances) and (ii) in connection with such Person's purchase of Equity Interests of the Borrower; provided that, (i) to the extent such loans and advances are made in cash, the amount of such loans and advances used to acquire such Equity Interests shall be contributed to the Borrower in cash and (ii) the aggregate principal amount outstanding pursuant to this clause (c) shall not exceed $5,750,000;

(d) (i) Investments existing on, or made pursuant to commitments in existence on, the Closing Date as set forth on Schedule 10.5(d), (ii) Investments existing on the Closing Date of the Borrower or any Subsidiary in any other Subsidiary and (iii) any extensions, modifications, replacements, renewals or reinvestments thereof, so long as the amount of any Investment made pursuant to this clause (d) is not increased at any time above the amount of such Investment as of the Closing Date (other than (a) pursuant to an increase as required by the terms of any such Investment as in existence on the Closing Date or (b) as otherwise permitted under this Section 10.5);

(e) any Investment acquired by the Borrower or any of its Restricted Subsidiaries: (i) in exchange for any other Investment, accounts receivable or endorsements for collection or deposit held by the Borrower or any such Restricted Subsidiary in each case in connection with or as a result of a bankruptcy, workout, reorganization or recapitalization of, or settlement of delinquent accounts and disputes with or judgments against, the issuer of such other Investment or accounts receivable (including any trade creditor or customer), (ii) in satisfaction of judgments against other Persons, (iii) as a result of a foreclosure by the Borrower or any of its Restricted Subsidiaries with respect to any secured Investment or other transfer of title with respect to any secured Investment in default or (iv) as a result of the settlement, compromise or resolution of litigation, arbitration or other disputes with Persons who are not Affiliates;

(f) Investments to the extent that payment for such Investments is made with Qualified Equity Interests of the Borrower;

(g) Investments (i) by the Borrower in any Guarantor or by any Guarantor in the Borrower, (ii) by any Grantor in the Borrower or any other Grantor; provided, that Investments by any Grantor in the

Borrower or any Guarantor shall be subordinated in right of payment to the Loans, and (iii) by one EHP Entity in any other EHP Entity other than EHP Topco;

(h) Investments constituting Permitted Acquisitions;

(i) Investments made at any such time during which, immediately after giving effect to the making of any such Investment on a *pro forma* basis, the Restricted Payment Conditions are satisfied;

(j) Investments constituting promissory notes and other non-cash proceeds of Dispositions of assets to the extent permitted by Section 10.4 or any other disposition of assets not constituting a Disposition;

(k) Investments consisting of Restricted Payments permitted under Section 10.6 (other than Section 10.6(c));

(l) Investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business, and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors and other credits to suppliers in the ordinary course of business;

(m) Investments in the ordinary course of business consisting of endorsements for collection or deposit and customary trade arrangements with customers consistent with past practices or industry practice;

(n) advances of payroll payments to employees, consultants or independent contractors or other advances of salaries or compensation to employees, consultants or independent contractors, in each case of the Borrower or any Restricted Subsidiary and in the ordinary course of business;

(o) guarantee obligations of the Borrower or any Restricted Subsidiary of leases (other than Capitalized Leases) or of other obligations that do not constitute Indebtedness, in each case entered into in the ordinary course of business;

(p) Investments held by a Person acquired (including by way of merger, amalgamation or consolidation) after the Closing Date otherwise in accordance with this Section 10.5 to the extent that such Investments were not made in contemplation of or in connection with such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;

(q) Investments in Industry Investments;

(r) to the extent constituting Investments, the Transactions;

(s) Investments in Hedge Agreements permitted by each of Section 10.1 and Section 10.10;

(t) Investments consisting of fundamental changes and Dispositions permitted under Sections 10.3 (other than Sections 10.3(a), (c) and (g)) and 10.4 (other than Section 10.4(d));

(u) in the case of the Borrower and the Grantors, Investments consisting of intercompany Indebtedness having a term not exceeding 364 days (inclusive of any roll over or extension of terms) and made in the ordinary course of business; provided that, in the case of any such Indebtedness owing by the Borrower or a Grantor to a Grantor that is not a Guarantor, such Indebtedness shall be subordinated to the

Obligations pursuant to the Intercompany Note; provided, further, that in the case of any such Indebtedness owing by a Grantor that is not a Guarantor to the Borrower or a Guarantor, (i) such Indebtedness shall be evidenced by the Intercompany Note pledged in favor of the Collateral Agent for the benefit of the Secured Parties pursuant to the Collateral Agreement and (ii) the aggregate amount of all such Indebtedness owing by a Grantor that is not a Guarantor to the Borrower or a Guarantor pursuant to this Section 10.5(u) shall not to exceed the greater of (A) $11,500,000 and (B) 2.3% of the Borrowing Base at the time such Indebtedness is incurred;

(v) Investments resulting from pledges and deposits under clauses (d) and (e) of the definition of "Permitted Liens" and clauses (i), (p) and (v) of Section 10.2;

(w) advances in the form of a prepayment of expenses, so long as such expenses are being paid in accordance with customary trade terms of the Borrower or the relevant Restricted Subsidiary;

(x) Investments consisting of licensing of intellectual property pursuant to joint marketing arrangements with other Persons in the ordinary course of business;

(y) Investments made in the ordinary course of business in connection with obtaining, maintaining or renewing client contacts and loans or advances made to distributors in the ordinary course of business;

(z) cash Investments in Excluded Subsidiaries having an aggregate fair market value, taken together with all other Investments made pursuant to this Section 10.5(z) that are at the time outstanding, without giving effect to the sale of an Excluded Subsidiary to the extent the proceeds of such sale do not consist of marketable securities (until such proceeds are converted to cash equivalents) not to exceed the greater of (i) $11,500,000 and (ii) 2.3% of the Borrowing Base at the time of such Investment (with the fair market value of each Investment being measured at the time made and without giving effect to subsequent changes in value), so long as immediately after giving effect to the making of any such Investment on a *pro forma* basis, the Restricted Payment Conditions are satisfied;

(aa) Investments in Unrestricted Subsidiaries consisting of (i) undeveloped acreage to which no Proved Reserves are attributable or (ii) assets that are not Specified Properties, in each case, in relation to Farm-In Agreements, Farm-Out Agreements, joint operating, joint venture, joint development activities or other similar oil and gas exploration and production business arrangement; provided that immediately after giving effect to the making of any such Investment in cash, on a *pro forma* basis, the Restricted Payment Conditions are satisfied;

(bb) any Investment constituting a Disposition or transfer of any asset between or among the Borrower and/or its Restricted Subsidiaries as a substantially concurrent interim Disposition or transfer in connection with an Investment otherwise permitted pursuant to clauses (a) through (aa) above or in connection with a transaction permitted by Section 10.3 or in connection with a Disposition permitted pursuant to Section 10.4; and

(cc) Permitted EHP Payments permitted under Section 10.18.

10.6 Limitation on Restricted Payments. The Borrower will not directly or indirectly pay any dividend or make any other distribution (by reduction of capital or otherwise), whether in cash, property, securities or a combination thereof, with respect to any of its Equity Interests (other than dividends and distributions on Equity Interests payable solely by the issuance of additional Qualified Equity Interests) or redeem, purchase, retire or otherwise acquire for value any of its Equity Interests (other than through the issuance of additional Qualified Equity Interests), or permit any Restricted Subsidiary to purchase or

otherwise acquire for consideration (except in connection with an Investment permitted under Section 10.5) any Equity Interests of the Borrower, now or hereafter outstanding (all of the foregoing, "Restricted Payments"); except that:

(a) the Borrower may redeem in whole or in part any of its Equity Interests in exchange for another class of its Equity Interests or with proceeds from substantially concurrent equity contributions or issuances of new Equity Interests; provided that such new Equity Interests contain terms and provisions at least as advantageous to the Lenders in all material respects to their interests as those contained in the Equity Interests redeemed thereby;

(b) the Borrower may redeem, acquire, retire or repurchase shares of its Equity Interests held by any present or former officer, manager, consultant, director or employee (or their respective Affiliates, estates, spouses, former spouses, successors, executors, administrators, heirs, legatees, distributees or immediate family members) of the Borrower and its Restricted Subsidiaries, in connection with the death, disability, retirement or termination of employment of any such Person or otherwise in accordance with any equity option or equity appreciation rights plan, any management, director and/or employee equity ownership, benefit or incentive plan or agreement, equity subscription plan, employment termination agreement or any other employment agreements or equity holders' agreement; provided that the aggregate amount of Restricted Payments made under this clause (b) shall not exceed (A) $11,500,000 in any calendar year (with unused amounts in any calendar year being carried over to succeeding calendar years subject to a maximum of $23,000,000 in any calendar year), plus (B) all net cash proceeds obtained by or contributed to the Borrower during such calendar year from the sales of Equity Interests to other present or former officers, consultants, employees, directors and managers in connection with any permitted compensation and incentive arrangements plus (C) all net cash proceeds obtained from any key-man life insurance policies received during such calendar year plus (D) the amount of any cash bonuses otherwise payable to members of management, directors or consultants of the Borrower or its Subsidiaries in connection with the Transactions that are foregone in return for the receipt of Equity Interests; notwithstanding the foregoing, the Borrower may elect to apply all or any portion of the aggregate increase contemplated by clauses (B), (C) and (D) above in any calendar year and provided, further, that cancellation of Indebtedness owing to the Borrower or any of its Restricted Subsidiaries from any future, present or former employees, directors, officers, members of management or consultants, of the Borrower, any Restricted Subsidiary, any direct or indirect parent company of the Borrower or any of the Borrower's Restricted Subsidiaries in connection with a repurchase of Equity Interests of the Borrower or any of its direct or indirect parent companies will not be deemed to constitute a Restricted Payment for purposes of this covenant or any other provision of this Agreement;

(c) to the extent constituting Restricted Payments, the Borrower may make Investments permitted by Section 10.5 (other than Sections 10.5(m) and (w));

(d) to the extent constituting Restricted Payments, the Borrower may consummate transactions expressly permitted by Section 10.3;

(e) the Borrower may repurchase Equity Interests of the Borrower upon exercise of stock options or warrants if such Equity Interests represents all or a portion of the exercise price of such options or warrants;

(f) the Borrower may make Restricted Payments in the form of Equity Interests of the Borrower (other than Disqualified Stock not otherwise permitted by Section 10.1);

(g) the Borrower or any of the Restricted Subsidiaries may pay cash in lieu of fractional shares in connection with any dividend, split or combination thereof or other Investment permitted under Section 10.5;

(h) the Borrower may pay any dividends or distributions within sixty (60) days after the date of declaration thereof, if at the date of declaration such payment would have complied with the other clauses of this Section 10.6;

(i) (i) the Borrower may pay dividends in cash to the holders of its Equity Interests in an amount not to exceed $5,000,000 in any fiscal year so long as no Default, Event of Default or, if prior to the Discharge of Priority Lien Obligations, Borrowing Base Deficiency shall have occurred and be continuing at the time of, and immediately following, such Restricted Payment and (ii) so long as, immediately after giving effect thereto on a *pro forma* basis, the Restricted Payment Conditions are satisfied, the Borrower may declare and pay additional Restricted Payments without limit in cash to the holders of its Equity Interests;

(j) the Borrower may consummate the Transactions (and pay fees and expenses in connection therewith on or following the Closing Date), and make payments described in Section 10.14(a), (e) and (f) (subject to the conditions set out therein);

(k) payments made or expected to be made by the Borrower or any of the Restricted Subsidiaries in respect of required withholding or similar non-U.S. Taxes with respect to any future, present or former employee, director, manager or consultant and any repurchases of Equity Interests in consideration of such payments including deemed repurchases in connection with the exercise of stock options;

(l) payments and distributions to dissenting stockholders pursuant to applicable law, pursuant to or in connection with a consolidation, merger, amalgamation or transfer of all or substantially all of the assets of the Borrower and its Restricted Subsidiaries taken as a whole that complies with the terms of this Agreement; and

(m) the distribution, by dividend or otherwise, of Equity Interests of, or Indebtedness owed to the Borrower or a Restricted Subsidiary by, an Unrestricted Subsidiary (or a Restricted Subsidiary that owns an Unrestricted Subsidiary); provided that such Restricted Subsidiary owns no assets other than Equity Interests of an Unrestricted Subsidiary (other than Unrestricted Subsidiaries the primary assets of which are cash and/or Permitted Investments).

10.7 Limitations on Debt Payments and Amendments.

(a) The Borrower will not, and will not permit any Restricted Subsidiary to, prepay, repurchase or redeem or otherwise defease prior to its scheduled maturity any Permitted Additional Debt, any Material Indebtedness (other than the First Lien Exit Facility Indebtedness) or any other Indebtedness for borrowed money that is expressly subordinated in right of payment to or payment priority or is secured by a Junior Lien (or any Permitted Refinancing Indebtedness in respect thereof to the extent constituting Other Debt) (such Permitted Additional Debt, Material Indebtedness (other than the First Lien Exit Facility Indebtedness) or other Indebtedness or any Permitted Refinancing Indebtedness in respect thereof, "Other Debt") (for the avoidance of doubt, it being understood that payments of regularly-scheduled cash interest in respect of Other Debt and any AHYDO payments shall be permitted unless expressly prohibited by the terms of the documents governing any such subordination); provided that the Borrower or any Restricted Subsidiary may prepay, repurchase, redeem or defease prior to its scheduled maturity any Other Debt (other than, in the case of clause (iii) of this Section 10.7(a), the EHP Notes) (i) in exchange for or with the

proceeds of any Permitted Refinancing Indebtedness, (ii) by converting or exchanging any Other Debt to Qualified Equity Interests, (iii) so long as, immediately after giving effect thereto on a *pro forma* basis, the Restricted Payment Conditions are satisfied, (iv) in exchange for or with proceeds of any Qualified Equity Interests within thirty (30) days of receipt of such proceeds, (v) owed to the Borrower or any Restricted Subsidiary to the extent not prohibited by the subordination provisions contained in the Intercompany Note or (vi) with respect to the EHP Notes, with the Net Cash Proceeds of the EHP Collateral so long as such payment is made within thirty (30) days of the receipt of such proceeds; provided, further, that, after giving effect to any repayment of the Loans required in connection therewith, so long as no Event of Default then exists, the Borrower or any Guarantor may make mandatory prepayments in respect of any Other Debt with the proceeds of the disposition of any assets that have been pledged to secure such Other Debt;

(b) The Borrower will not amend or modify the terms of (i) any Other Debt (other than the EHP Notes), other than amendments or modifications that (A) would otherwise comply with the definition of "Permitted Refinancing Indebtedness" that may be incurred to Refinance any such Indebtedness, (B) would have the effect of converting any Other Debt to Qualified Equity Interests or (C) to the extent such amendment or modification would not have been prohibited under this Agreement at the time such Permitted Refinancing Indebtedness, Other Debt or documentation was first issued, incurred or entered into, as applicable (it being understood that in no event shall such amendment or modification (x) make earlier the final maturity date of such Indebtedness or reduce the Weighted Average Life to Maturity of such Indebtedness, (y) shall include any financial maintenance covenants that are more restrictive than the financing maintenance covenants under the Loan Documents or prohibit prior repayment or prepayment of the Loans and the covenants and events of default applicable to such Other Debt shall not be more restrictive to the Borrower and its Subsidiaries than the covenants and events of default under the Loan Documents, taken as a whole; in each case, as reasonably determined by the Borrower in good faith, unless such covenants or events of default are incorporated into this Agreement, and, with respect to any Permitted Additional Debt or Permitted Refinancing Indebtedness thereof, such analysis shall assume that the Agreement in effect at the time of such amendment or modification constituted the Agreement at the time when such Permitted Refinancing Indebtedness or Other Debt was first issued, incurred or entered into, as applicable) or (ii) the First Lien Exit Facility Indebtedness, other than amendments or modifications (A) that do not have the effect of prohibiting or restricting any payment under the Credit Documents (including any voluntary or mandatory prepayment) of principal, interest or any other amounts, except to the extent prohibited or restricted under the First Lien Exit Credit Documents as of the Closing Date or (B) in violation of the terms of the First Lien/Second Lien Intercreditor Agreement.

(c) Notwithstanding the foregoing and for the avoidance of doubt, nothing in this Section 10.7 shall prohibit (i) the repayment or prepayment of intercompany subordinated Indebtedness owed among the Borrower and/or the Restricted Subsidiaries, in either case, unless an Event of Default has occurred and is continuing and the Borrower has received a notice from the Collateral Agent instructing it not to make or permit the Borrower and/or the Restricted Subsidiaries to make any such repayment or prepayment, or (ii) substantially concurrent transfers of credit positions in connection with intercompany debt restructurings so long as such Indebtedness is permitted by Section 10.1 after giving effect to such transfer.

10.8 Negative Pledge Agreements. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, enter into or permit to exist any Contractual Requirement (other than this Agreement or any other Credit Document) that limits the ability of the Borrower or any Restricted Subsidiary to create, incur, assume or suffer to exist Liens on property of such Person for the benefit of the Secured Parties with respect to the Obligations or under the Credit Documents; provided that the foregoing shall not apply to each of the following Contractual Requirements that:

(a) (i) exist on the Closing Date and (to the extent not otherwise permitted by this Section 10.8) are listed on Schedule 10.8 and (ii) to the extent Contractual Requirements permitted by subclause (i) are

set forth in an agreement evidencing Indebtedness or other obligations, are set forth in any agreement evidencing any Permitted Refinancing Indebtedness incurred to Refinance such Indebtedness or obligation so long as such Permitted Refinancing Indebtedness does not expand the scope of such Contractual Requirement;

(b) are binding on a Restricted Subsidiary at the time such Restricted Subsidiary first becomes a Restricted Subsidiary of the Borrower, so long as such Contractual Requirements were not entered into solely in contemplation of such Person becoming a Restricted Subsidiary of the Borrower;

(c) represent Indebtedness permitted under Section 10.1 of a Restricted Subsidiary of the Borrower that is not a Grantor so long as such Contractual Requirement applies only to such Subsidiary and its Subsidiaries;

(d) arise pursuant to agreements entered into with respect to any sale, transfer, lease or other Disposition permitted by Section 10.4 and applicable solely to assets under such sale, transfer, lease or other Disposition;

(e) are customary provisions in joint venture agreements and other similar agreements permitted by Section 10.5 and applicable to joint ventures or otherwise arise in (A) agreements which restrict the Disposition or distribution of assets or property subject to oil and gas leases, joint operating agreements, joint exploration and/or development agreements, participation agreements or (B) any Production Sharing Contracts or similar instrument on which a Lien cannot be granted without the consent of a third party (to the extent the Collateral Agent, for the benefit of the Secured Parties, otherwise have an Acceptable Security Interest in the property covered by such contract or instrument pursuant to the definition thereof or (ii) the property covered thereby is not required to be pledged as Collateral pursuant to the Credit Documents) and, in each case other similar agreements entered into in the ordinary course of the oil and gas exploration and development business and customary provisions in any Agreement of the type described in the definition of "Industry Investments" entered into in the ordinary course of business;

(f) are customary restrictions on leases, subleases, licenses or asset sale agreements otherwise permitted hereby so long as such restrictions relate to the assets subject thereto;

(g) are customary provisions restricting subletting or assignment of any lease governing a leasehold interest of the Borrower or any Restricted Subsidiary or in leases prohibiting Liens on retained property rights of the lessor in connection with operations of the lessee conducted on the leased property;

(h) are customary provisions restricting assignment of any agreement entered into in the ordinary course of business;

(i) restrict the use of cash or other deposits imposed by customers under contracts entered into in the ordinary course of business;

(j) exist under any documentation governing any Permitted Refinancing Indebtedness incurred to Refinance any Indebtedness but only to the extent such Contractual Requirement is not materially more restrictive, taken as a whole, than the Contractual Requirement in the Indebtedness being refinanced;

(k) are customary net worth provisions contained in real property leases entered into by any Restricted Subsidiary of the Borrower, so long as the Borrower has determined in good faith that such net worth provisions would not reasonably be expected to impair the ability of the Borrower and the Restricted Subsidiaries to meet their ongoing obligation;

(l) are included in any agreement relating to any Lien, so long as (i) such Lien is permitted under Section 10.2(b), (c) or (f) and such restrictions or conditions relate only to the specific asset subject to such Lien and (ii) such restrictions and conditions are not created for the purpose of avoiding the restrictions imposed by this Section 10.8;

(m) are restrictions imposed by any agreement relating to Indebtedness incurred pursuant to Section 10.1 or Permitted Refinancing Indebtedness in respect thereof, to the extent such restrictions are not materially more restrictive, taken as a whole, than the restrictions contained in the Credit Documents as determined by the Borrower in good faith;

(n) are restrictions regarding licenses or sublicenses by the Borrower and the Restricted Subsidiaries of intellectual property in the ordinary course of business (in which case such restriction shall relate only to such intellectual property);

(o) arise in connection with cash or other deposits permitted under Sections 10.2 and 10.5 and limited to such cash or deposit; and

(p) are encumbrances or restrictions imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (a) through (o) above; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Borrower's board of directors, no more restrictive in any material respect with respect to such encumbrance and other restrictions taken as a whole than those prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing.

10.9 Limitation on Subsidiary Distributions. The Borrower will not, and will not permit any of its Restricted Subsidiaries that are not Guarantors to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or consensual restriction on the ability of any such Restricted Subsidiary to pay dividends or make any other distributions to the Borrower or any Restricted Subsidiary on its Equity Interests or with respect to any other interest or participation in, or measured by, its profits or transfer any property to the Borrower or any Restricted Subsidiary except (in each case) for such encumbrances or restrictions existing under or by reason of:

(a) contractual encumbrances or restrictions in effect on the Closing Date, including pursuant to the Credit Documents;

(b) purchase money obligations for property acquired in the ordinary course of business and obligations under any Capitalized Lease that impose restrictions on transferring the property so acquired;

(c) any agreement or other instrument of a Person acquired by or merged or consolidated with or into the Borrower or any Restricted Subsidiary, or of an Unrestricted Subsidiary that is designated a Restricted Subsidiary, or that is assumed in connection with the acquisition of assets from such Person, in each case that is in existence at the time of such transaction (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person and its Subsidiaries, or the property or assets of the Person and its Subsidiaries, so acquired or designated;

(d) secured Indebtedness otherwise permitted to be incurred pursuant to Section 10.1(n) as it relates to the right of the debtor to dispose of the assets securing such Indebtedness;

(e) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;

(f) other Indebtedness of Borrower and its Restricted Subsidiaries permitted to be incurred subsequent to the Closing Date pursuant to Sections 10.1(a), (k), (n) and (o) and (y) so long as the provisions relating to such encumbrance or restriction contained in such Indebtedness are no less favorable to the Borrower, taken as a whole, as determined by the board of directors of the Borrower in good faith, than the provisions contained in this Agreement as in effect on the Closing Date;

(g) customary provisions in joint venture agreements or agreements governing property held with a common owner and other similar agreements or arrangements relating solely to such joint venture or property or are otherwise customary encumbrances or restrictions imposed pursuant to any agreement of the type described in the definition of "Industry Investments" entered into in the ordinary course of business;

(h) customary provisions contained in leases, sub-leases, licenses, sub-licenses or similar agreements, in each case, entered into in the ordinary course of business;

(i) any agreements entered into with respect to any sale, transfer, lease or other Disposition permitted by Section 10.4 and applicable solely to assets under such sale, transfer, lease or other Disposition;

(j) any encumbrances or restrictions imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (a) through (i) above; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Borrower's board of directors, no more restrictive in any material respect with respect to such encumbrance and other restrictions taken as a whole than those prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing; and

(k) Indebtedness under the EHP Notes.

10.10 Hedge Agreements The Borrower will not, and will not permit any Restricted Subsidiary (other than EHP Midco and its Subsidiaries, prior to the EHP Discharge Date) to, enter into any Hedge Agreements with any Person other than:

(a) Hedge Agreements with Approved Counterparties in respect of Hydrocarbons entered into not for speculative purposes the net notional volumes for which (when aggregated with other commodity Hedge Agreements then in effect, other than puts, floors and basis differential swaps on volumes already hedged pursuant to other Hedge Agreements) do not exceed, as of the date the latest hedging transaction is entered into under a Hedge Agreement, 80% of the reasonably anticipated Hydrocarbon production of crude oil, natural gas and natural gas liquids, calculated separately, from the Credit Parties' total Proved Reserves (as forecast based upon the Initial Reserve Report or the most recent Reserve Report delivered pursuant to Section 9.14(a), as applicable) for the forty-eight (48) month period from the date of creation of such hedging arrangement, based on daily volumes on an annual basis (the "Ongoing Hedges"). In no event shall any Hedge Agreement entered into by the Credit Parties have a tenor longer than forty-eight (48) months. In addition to the Ongoing Hedges, in connection with a proposed or pending acquisition of Oil and Gas Properties (a "Proposed Acquisition"), the Credit Parties may also enter into incremental hedging contracts with respect to the Credit Parties' reasonably anticipated projected production from the total Proved Reserves of the Borrower and its Restricted Subsidiaries as forecast based upon the most recent Reserve Report having notional volumes not in excess of 15% of the Credit Parties' existing projected

production prior to the consummation of such Proposed Acquisition (such that the aggregate shall not be more than 100% of the reasonably anticipated projected production prior to the consummation of such Proposed Acquisition) for a period not exceeding thirty-six (36) months from the date such hedging arrangement is created during the period between (i) the date on which such Guarantor signs a definitive acquisition agreement in connection with a Proposed Acquisition and (ii) the earliest of (A) the date of consummation of such Proposed Acquisition, (B) the date of termination of such Proposed Acquisition and (C) thirty (30) days after the date of execution of such definitive acquisition agreement (or such longer period as the Majority Lenders may agree in their reasonable discretion). However, all such incremental hedging contracts entered into with respect to a Proposed Acquisition must be terminated or unwound within thirty (30) days following the date of termination of such Proposed Acquisition. It is understood that commodity Hedge Agreements which may, from time to time, "hedge" the same volumes of commodity risk but different elements of commodity risk thereof, including where one or more such Hedge Agreements partially offset one or more other such Hedge Agreements, shall not be aggregated together when calculating the foregoing limitations on notional volumes.

(b) Other Hedge Agreements (other than any Hedge Agreements in respect of Hydrocarbons or equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions) entered into not for speculative purposes.

(c) It is understood that for purposes of this Section 10.10, the following Hedge Agreements shall be deemed not to be speculative or entered into for speculative purposes: (i) any commodity Hedge Agreement intended, at inception of execution, to hedge or manage any of the risks related to existing and or forecasted Hydrocarbon production of the Borrower or its Restricted Subsidiaries (whether or not contracted) and (ii) any Hedge Agreement intended, at inception of execution, (A) to hedge or manage the interest rate exposure associated with any debt securities, debt facilities or leases (existing or forecasted) of the Borrower or its Restricted Subsidiaries, (B) for foreign exchange or currency exchange management, (C) to manage commodity portfolio exposure associated with changes in interest rates or (D) to hedge any exposure that the Borrower or its Restricted Subsidiaries may have to counterparties under other Hedge Agreements such that the combination of such Hedge Agreements is not speculative taken as a whole.

(d) For purposes of entering into or maintaining Ongoing Hedges under Section 10.10(a), forecasts of reasonably projected Hydrocarbon production volumes and reasonably anticipated Hydrocarbon production from the Credit Parties' total Proved Reserves based upon the Initial Reserve Report or the most recent Reserve Report delivered pursuant to Section 9.14(a), as applicable, shall be revised to account for any increase or decrease therein anticipated because of information obtained by Borrower or any other Credit Party subsequent to the publication of such Reserve Report including the Borrower's or any other Credit Party's internal forecasts of production decline rates for existing wells and additions to or deletions from anticipated future production from new wells and acquisitions coming on stream or failing to come on stream.

10.11 Financial Covenants.

(a) Consolidated Total Net Leverage Ratio. The Borrower will not permit the Consolidated Total Net Leverage Ratio as of the last day of the Test Period ending on March 31, 2021 and as of the last day of any Test Period ending thereafter to be greater than 3.45 to 1.00 (or in the event that the EHP Discharge Date has not occurred on or prior to December 31, 2021, and only for so long as the EHP Discharge Date has not occurred, 2.875 to 1.00 as of the last day of the Test Period ending on December 31, 2021, and as of the last day of any Test Period ending thereafter).

(b) Current Ratio. The Borrower will not permit the Current Ratio as of the last day of the fiscal quarter ending on or after March 31, 2021 to be less than 0.85 to 1.00.

(c) Liquidity. If on the effective date of the Spring 2021 Scheduled Redetermination (as defined in the First Lien Exit Facility as of the date hereof), (i) Liquidity is less than $246,500,000 as of such date and (ii) the amount of any increase in the Aggregate Elected Commitment Amount (as defined in the First Lien Exit Facility as of the date hereof) since the Closing Date plus the aggregate amount of net cash proceeds received since the Closing Date from any Junior Capital Transaction (as defined in the First Lien Exit Facility as of the date hereof) is less than $51,000,000, then, following such date and until the date that (x) Liquidity is not less than $246,500,000 as of such date and (y) the amount of any increase in the Aggregate Elected Commitment Amount (as defined in the First Lien Exit Facility as of the date hereof) since the Closing Date plus the aggregate amount of net cash proceeds received since the Closing Date from any Junior Capital Transaction (as defined in the First Lien Exit Facility as of the date hereof) is at least $51,000,000, the Borrower will not permit Liquidity to be less than $170,000,000 as of the last day of each calendar month, as certified by the Borrower to the Administrative Agent, showing in reasonable detail the basis for the calculation thereof, within five (5) Business Days of the end of each such calendar month.

10.12 Accounting Changes; Amendments to Organization Documents. The Borrower shall not and shall not permit any of its Restricted Subsidiaries to (a) have its fiscal year end on a date other than December 31 or have its fiscal quarters end on dates other than March 31, June 30 or September 30 or (b) amend, supplement or otherwise modify (or permit to be amended, supplemented or modified) its Organization Document in a manner that is material and adverse to the interests of the Administrative Agent or the Lenders without the consent of the Majority Lenders and the Administrative Agent.

10.13 Change in Business. The Borrower and its Restricted Subsidiaries, taken as a whole, will not fundamentally and substantively alter the character of their business, taken as a whole, from (i) the business conducted by them on the Closing Date or (ii) any other business reasonably related, complementary, incidental, synergistic or ancillary thereto or reasonable extensions thereof.

10.14 Transactions with Affiliates. The Borrower shall not conduct, and cause each of the Restricted Subsidiaries not to conduct, any transactions involving aggregate payments or consideration in excess of $11,500,000 with any of its Affiliates (other than the Borrower and the Restricted Subsidiaries or any entity that becomes a Restricted Subsidiary as a result of such transaction) unless such transactions are on terms that are substantially no less favorable to the Borrower or such Restricted Subsidiary as it would obtain at the time in a comparable arm's-length transaction with a Person that is not an Affiliate, as determined by the board of directors or managers of the Borrower or such Restricted Subsidiary in good faith; provided that the foregoing restrictions shall not apply to:

(a) the consummation of the Transactions, including the payment of Transaction Expenses;

(b) the issuance of Equity Interests of the Borrower to any officer, director, employee or consultant of any of the Borrower or any of its Subsidiaries;

(c) equity issuances, repurchases, retirements, redemptions or other acquisitions or retirements of Equity Interests by the Borrower permitted under Section 10.6;

(d) loans, advances and other transactions between or among the Borrower, any Subsidiary or any joint venture (regardless of the form of legal entity) in which the Borrower or any Subsidiary has invested (and which Subsidiary or joint venture would not be an Affiliate of the Borrower or such Subsidiary, but for the Borrower's or such Subsidiary's ownership of Equity Interests in such joint venture or such Subsidiary) to the extent permitted under Section 10;

(e) employment and severance arrangements and health, disability and similar insurance or benefit plans between the Borrower and the Subsidiaries and their respective future, current or former

directors, officers, employees or consultants (including management and employee benefit plans or agreements, subscription agreements or similar agreements pertaining to the repurchase of Equity Interests pursuant to put/call rights or similar rights with future, current or former employees, officers, directors or consultants and equity option or incentive plans and other compensation arrangements) in the ordinary course of business or as otherwise approved by the board of directors or managers of the Borrower;

(f) transactions pursuant to agreements in existence on the Closing Date and set forth on Schedule 10.14 or any amendment thereto or arrangement similar thereto to the extent such amendment or arrangement is not adverse, taken as a whole, to the Lenders in any material respect (as determined by the Borrower in good faith);

(g) any issuance of Equity Interests or other payments, awards or grants in cash, securities, Equity Interests or otherwise pursuant to, or the funding of, employment arrangements, equity options and equity ownership plans approved by the board of directors or board of managers of the Borrower;

(h) payments or loans (or cancellation of loans) to officers, directors, employees or consultants which are approved by a majority of the Board of Directors of the Borrower in good faith;

(i) any lease entered into between the Borrower or any Restricted Subsidiary, as lessee and any Affiliate of the Borrower, as lessor, which is approved by a majority of the disinterested members of the Board of Directors in good faith or, any lease entered into between the Borrower or any Restricted Subsidiary, as lessee, and any Affiliate of the Borrower, as lessor, in the ordinary course of business;

(j) Permitted Intercompany Activities;

(k) the formation and maintenance of any consolidated group or subgroup for tax, accounting or cash pooling or management purposes in the ordinary course of business;

(l) Restricted Payments, redemptions, repurchases and other actions permitted under Section 10.6;

(m) transactions with customers, clients, joint venture partners, suppliers or purchasers or sellers of goods or services, in each case in the ordinary course of business and otherwise in compliance with the terms of this Agreement that are fair to the Borrower and the Restricted Subsidiaries, in the reasonable determination of the Board of Directors or the senior management of the Borrower, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated party; and

(n) Permitted EHP Payments permitted under Section 10.18.

10.15 Sale or Discount of Receivables. Except for (a) receivables obtained by the Borrower or any Restricted Subsidiary out of the ordinary course of business, (b) the settlement of joint interest billing accounts in the ordinary course of business or discounts granted to settle collection of accounts receivable or the sale of defaulted accounts arising in the ordinary course of business in connection with the compromise or collection thereof and not in connection with any financing transaction or (c) a sale of receivables to the extent the proceeds thereof are used to prepay any Loans then outstanding, neither the Borrower nor any Restricted Subsidiary will discount or sell (with or without recourse) any of its notes receivable or accounts receivable.

10.16 Gas Imbalances, Prepayments; Service Agreement Undertakings.

(a) The Borrower shall not, and shall not permit its Restricted Subsidiaries to have, gas imbalances, take or pay or other prepayments (other than Service Agreement Undertakings) exceeding one half bcf of gas (stated on an mcf equivalent basis) listed on the most recent Reserve Report, that would require any Credit Party to deliver Hydrocarbons either generally or produced from their Oil and Gas Properties at some future time without then or thereafter receiving full payment therefor.

(b) The Borrower shall not, and shall not permit any Restricted Subsidiary to enter into any Service Agreement Undertakings other than: (i) the Service Agreement Undertakings in existence on the Closing Date and identified on Schedule 8.17, (ii) Service Agreement Undertakings entered into by the Borrower or a Guarantor (A) that do not include acreage dedications and which do not convey a working interest, overriding royalty interest or other similar real property interest (in each case other than a dedication) in the dedicated acreage and (B) at the time such Service Agreement Undertakings are entered into, cover volumes of Hydrocarbons, if any, that do not exceed 75% of reasonably anticipated projected production from Proved Developed Producing Reserves for each quarterly period set forth in the most recently delivered Reserve Report.

(c) The Borrower shall not, and shall not permit any Restricted Subsidiary to amend or modify any Service Agreement Undertakings to (i) increase the volumes covered by any acreage dedications to a level greater than that permitted under Section 10.16(b)(ii)(B) determined as if the date of the amendment or modification were the date when such acreage dedications were entered into, or (ii) add any ability of the counterparty to such Service Agreement Undertakings to foreclose on the property that is associated with such Service Agreement Undertakings.

10.17 ERISA Compliance. The Borrower will not, and will not permit any Subsidiary to, at any time:

(a) engage, or permit any ERISA Affiliate to engage, in any transaction in connection with which the Borrower, a Subsidiary or any ERISA Affiliate could be subjected to either a civil penalty assessed pursuant to subsections (c), (i), (l) or (m) of Section 502 of ERISA or a tax imposed by Chapter 43 of Subtitle D of the Code, if either of which would have a Material Adverse Effect;

(b) fail to make, or permit any ERISA Affiliate to fail to make, full payment when due of all amounts which, under the provisions of any such Plan, agreement relating thereto or applicable law, the Borrower, a Subsidiary or any ERISA Affiliate is required to pay as contributions thereto, if such failure could reasonably be expected to have a Material Adverse Effect; or

(c) except as set forth on Schedule 10.17(c), contribute to or assume an obligation to contribute to, or permit any ERISA Affiliate to contribute to or assume an obligation to contribute to (i) any employee welfare benefit plan, as defined in Section 3(1) of ERISA, including, without limitation, any such plan maintained to provide benefits to former employees of such entities, that may not be terminated by such entities in their sole discretion at any time without any material liability other than the payment of accrued benefits under such plan, or (ii) any employee pension benefit plan, as defined in Section 3(2) of ERISA, that is subject to Title IV of ERISA, Section 302 of ERISA or Section 412 of the Code.

10.18 EHP Entities. Unless the EHP Discharge Date shall have occurred, the following covenants shall apply:

(a) The Borrower shall not, and shall not permit any Subsidiary to transfer any cash, assets or property to any EHP Entity other than: (i) cash Investments permitted under Section 10.5(i) and (z); (ii) Permitted EHP Payments; provided that, solely in the case of a Permitted EHP Payment pursuant to clause (i) of the definition thereof, the amount of unrestricted cash (with any cash constituting EHP Collateral

being deemed "unrestricted" for this purpose) held at the EHP Entities on a *pro forma* basis for such Permitted EHP Payment shall not exceed $10,000,000; (iii) the EHP Easement and EHP LTS Ground Lease and (iv) assets or property related to Dispositions in respect of EHP Collateral made pursuant to Section 10.4(r).

(b) The Borrower shall not, and shall not permit any EHP Entity to amend, modify, or permit the amendment or modification of, any provision of (x) the EHP Easement, the EHP Ground Leases or the EHP LTS Ground Lease, other than amendments or modifications that are not materially adverse to the Lenders (it being understood that amendments or modifications that are determined by the board of directors or managers of the Borrower in good faith to be necessary to effectuate the plan of subdivision in satisfaction of the requirements of Section 9.15 of the EHP Note Purchase Agreement in effect as of the Closing Date shall not be materially adverse to the Lenders) or (y) the EHP Notes or any other agreement related thereto (other than the EHP Support Agreement, which shall be governed by clause (c) below)) to the extent such amendment or modification would: (i) increase the principal amount (or accreted value, if applicable) of such Indebtedness, after giving effect to such amendment or modification, such that the principal amount (or accreted value, if applicable) exceeds that of the Indebtedness prior to such amendment or modification (plus unpaid accrued interest, breakage costs and premium thereon), (ii) cause the average life to maturity of such Indebtedness, after giving effect to such amendment or modification, to be less than that of such Indebtedness prior to such amendment or modification, (iii) shorten the final maturity date thereof to a date that is earlier than 180 days after the Final Maturity Date, (iv) shorten any period for payment of interest thereon or add or change any redemption, put or prepayment provisions, (v) make the restrictions on the EHP Entities' ability to declare and pay dividends or make distributions more restrictive than those in place on the Closing Date or (vii) increase the All-In Yield with respect to the EHP Notes (excluding, for the avoidance of doubt in respect of this clause (vii), (A) any increases or step-up in rates otherwise contemplated by the EHP Notes in place on the Closing Date, (B) the imposition of the Default Rate (as defined in the EHP Notes or a substantially similar default rate of interest) during the pendency of any event of default thereunder (provided the margin that such Default Rate represents over the rate of interest in effect without the imposition of the Default Rate shall not be increased above 2.00% per annum) and (C) increases as a result of any amendment, consent or similar fees paid to the holders of the EHP Notes that are approved by the board of directors or managers of the Borrower in their reasonable discretion)

(c) The Borrower shall not, and shall not permit any EHP Entity to amend, modify, waive or permit the amendment, modification or waiver of, any provision of the EHP Support Agreement to the extent that: (i) the payment obligations under such EHP Support Agreement are increased (including, without limitation, any expansion of the funding and contract requirements under Section 2(a) or (d)(ii) thereof), (ii) the defaults or remedies are made more restrictive on the EHP Entities, (iii) the EHP Support Agreement shall restrict or limit any amendment, modification or waiver of this Agreement or any of the other Credit Documents in any manner other than as provided in Section 2(g) of the EHP Support Agreement as in effect on the Closing Date, (iv) the obligations of the Borrower and its Subsidiaries to use the assets of the EHP Entities under Section 2(d)(i), (iii) or (iv) thereof are amended or modified in a manner that increases or makes more restrictive (vis-à-vis the Borrower and its Subsidiaries) such obligations than as provided in Section 2(d)(i), (iii) or (iv), respectively, of the EHP Agreement as in effect on the Closing Date) or (v) amend, modify or otherwise waive the Majority Lenders' right to consent to assignments of the Borrower's rights, obligations and interests under the EHP Support Agreement set forth in Section 4(c) thereof.

(d) Subject to Section 10.18(a), (b) and (c), other than the EHP Support Agreement, the EHP Easement, the EHP Ground Leases and EHP LTS Ground Lease and any other agreements entered into on or prior to the Closing Date and agreements otherwise permitted by this Agreement or otherwise contemplated by the EHP Support Agreement or the other Note Documents as of the Closing Date, the EHP Entities shall not enter into any agreements with the Borrower or the Grantors.

(e) Except with the concurrent refinancing of the EHP Notes in full (to the extent permitted hereunder), the Borrower shall not, and shall not permit any EHP Entity to, consummate any merger, division, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or Dispose of, all or substantially all its business units, assets or other properties, except that any EHP Entity (other than EHP Topco) may (i) merge, amalgamate or consolidate with or into any other EHP Entity (other than EHP Topco) and (ii) Dispose of any or all of its assets (upon voluntary liquidation or otherwise) to any other EHP Entity (other than EHP Topco).

10.19 Production Sharing Entities; Production Sharing Contracts.

(a) The Borrower shall not permit any Production Sharing Entity to:

(i) create, incur, assume or suffer to exist any Indebtedness other than Indebtedness permitted pursuant to Section 10.1(q), (s), (v), (w) or other Indebtedness permitted under Section 10.1 not for borrowed money incurred in the ordinary course of business and consistent with past practice;

(ii) create, incur, assume or suffer to exist any Lien upon any property or assets of any kind (real or personal, tangible or intangible) of such Production Sharing Entity, whether now owned or hereafter acquired, except Liens permitted pursuant to Section 10.2(a), (b) (other than Permitted Liens described in clause (c), (d), (g) (with respect to Service Agreement Undertakings), and (i) thereof), (d), (h), (i), (j) and (o);

(iii) enter into or permit to exist any Contractual Requirement (other than this Agreement or any other Credit Document) that limits the ability of such Production Sharing Entity to create, incur, assume or suffer to exist Liens on property of such Person for the benefit of the Secured Parties with respect to the Obligations or under the Credit Documents; provided that the foregoing shall not apply to Contractual Requirements permitted pursuant to Section 10.8(a)(i);

(iv) directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or consensual restriction on the ability of any such Restricted Subsidiary to pay dividends or make any other distributions to the Borrower or any Restricted Subsidiary on its Equity Interests or with respect to any other interest or participation in, or measured by, its profits or transfer any property to the Borrower or any Restricted Subsidiary;

(v) convey, sell, lease, sell and leaseback, assign, transfer (including any Production Payments and Reserve Sales) or otherwise dispose of any Production Sharing Contract, whether now owned or hereafter acquired, to the Borrower or any Subsidiary of the Borrower; or

(vi) consummate any merger, division, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or Dispose of, all or substantially all its business units, assets or other properties to the Borrower or any Subsidiary of the Borrower, except that a Production Sharing Entity may be merged, amalgamated or consolidated with or into another Production Sharing Entity.

(b) The Borrower shall not permit any Production Sharing Entity to own any direct Equity Interest in any Person (other than any Immaterial Subsidiary) or any Specified Properties other than those, in each case, either associated with Production Sharing Contracts or owned as of the Closing Date.

(c) The Borrower shall not, and shall not permit any Subsidiary (other than a Production Sharing Entity) to, enter into or otherwise be a party to a Production Sharing Contract.

(d) At all times, all of the Equity Interests that are owned directly or indirectly by the Borrower of each Production Sharing Entity that is a Material Subsidiary shall be owned directly by a Guarantor or the Borrower and shall be pledged pursuant to the Collateral Agreement.

10.20 Anti-Layering.

(a) The Borrower will not, and will not permit any other Credit Party to, create, incur, assume or permit to exist any Indebtedness secured by a Lien on any property or asset which Lien is expressly subordinated or junior in ranking to any Lien securing any Indebtedness of the Credit Parties, unless such Liens are also subordinated or junior to, and in the same manner and to the same extent as, the Liens securing Obligations; and

(b) The Borrower will not, and will not permit any other Credit Party to, incur, create, assume or permit to exist any Indebtedness if such Indebtedness is expressly subordinate or junior in ranking in right of payment to any other Indebtedness of the Credit Parties (including in the form of a "waterfall" or similar provision relating to distribution of payments), unless such Indebtedness is expressly subordinated to or junior in right of payment to the Obligations.

SECTION 11. EVENTS OF DEFAULT

Upon the occurrence of any of the following specified events (each an "Event of Default"):

11.1 Payments. The Borrower shall (a) default in the payment when due of any principal of the Loans or (b) default, and such default shall continue for five or more days, in the payment when due of any interest on the Loans, fees or of any other amounts owing hereunder or under any other Credit Document (other than any amount referred to in clause (a) above).

11.2 Representations, Etc. Any representation, warranty or statement made or deemed made by any Credit Party herein or in any other Credit Document or any certificate, report or notice delivered or required to be delivered pursuant hereto or thereto shall prove to be untrue in any material respect on the date as of which made or deemed made.

11.3 Covenants. Any Credit Party shall:

(a) default in the due performance or observance by it of any term, covenant or agreement contained in Sections 9.1(d)(i), 9.5 (solely with respect to the Borrower), 9.12, 9.17 or Section 10; or

(b) default in the due performance or observance by it of any term, covenant or agreement (other than those referred to in Section 11.1 or 11.2 or clause (a) of this Section 11.3) contained in this Agreement or any Credit Document and such default shall continue unremedied for a period of at least thirty (30) days after receipt of written notice thereof by the Borrower from the Administrative Agent (at the direction of the Majority Lenders).

11.4 Default Under Other Agreements.

(a) The Borrower or any of the Restricted Subsidiaries shall (i) default in any payment with respect to any Material Indebtedness (other than the Indebtedness described in Section 11.1) beyond the period of grace, if any, provided in the instrument of agreement under which such Indebtedness was created or (ii) default in the observance or performance of any agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist (other than (1) with respect to indebtedness in respect of any

Hedge Agreements, termination events or equivalent events pursuant to the terms of such Hedge Agreements, (2) any event requiring prepayment pursuant to customary asset sale provisions and (3) secured Indebtedness that becomes due as a result of a Disposition (including as a result of Casualty Event) of the property or assets securing such indebtedness permitted under this Agreement), the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause, any such Indebtedness to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity, unless, in the case of each of the foregoing, such holder or holders shall have (or through its or their trustee or agent on its or their behalf) waived such default in a writing to the Borrower; provided that a breach of or default in the observance or performance of the First Lien Exit Financial Covenants shall not constitute an Event of Default hereunder unless the obligations under the First Lien Exit Credit Agreement have become, or have been declared to be, due and payable, or are required to be prepaid other than by a regularly scheduled required prepayment or as a mandatory prepayment, prior to their scheduled maturity or the First Lien Exit Administrative Agent or any secured party under the First Lien Exit Credit Documents has exercised any powers, rights or remedies (including any right of setoff) in respect thereof; or

(b) Without limiting the provisions of clause (a) above, any such default under any such Material Indebtedness shall cause such Material Indebtedness to be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment or as a mandatory prepayment (and (i) with respect to Indebtedness consisting of any Hedge Agreements, other than due to a termination event or equivalent event pursuant to the terms of such Hedge Agreements, (ii) other than pursuant to customary asset sale provisions and (iii) other than secured Indebtedness that becomes due as a result of a Disposition (including as a result of Casualty Event) of the property or assets securing such Indebtedness permitted under this Agreement) prior to the stated maturity thereof.

11.5 Bankruptcy, Etc. The Borrower or any Restricted Subsidiary shall commence a voluntary case, proceeding or action concerning itself under (a) Title 11 of the United States Code entitled "Bankruptcy" or any other applicable insolvency, debtor relief, or debt adjustment law; or (b) in the case of any Foreign Subsidiary that is a Restricted Subsidiary, any domestic or foreign law relating to bankruptcy, judicial management, insolvency, reorganization, administration or relief of debtors in effect in its jurisdiction of incorporation, in each case as now or hereafter in effect, or any successor thereto (collectively, the "Bankruptcy Code"); or an involuntary case, proceeding or action is commenced against the Borrower or any Restricted Subsidiary and the petition is not dismissed or stayed within sixty (60) days after commencement of the case, proceeding or action, the Borrower or the applicable Restricted Subsidiary consents to the institution of such case, proceeding or action prior to such 60-day period, or any order of relief or other order approving any such case, proceeding or action is entered; or a custodian (as defined in the Bankruptcy Code), receiver, receiver manager, trustee, conservator, liquidator, examiner, rehabilitator, administrator, or similar person is appointed for, or takes charge of, the Borrower or any Restricted Subsidiary or all or any substantial portion of the property or business thereof; or the Borrower or any Restricted Subsidiary suffers any appointment of any custodian, receiver, receiver manager, trustee, conservator, liquidator, examiner, rehabilitator, administrator, or the like for it or any substantial part of its property or business to continue undischarged or unstayed for a period of sixty (60) days; or the Borrower or any Restricted Subsidiary makes a general assignment for the benefit of creditors.

11.6 ERISA. (i) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan, (ii) any Credit Party or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its Withdrawal Liability under Section 4201 of ERISA under a Multiemployer Plan, or (iii) a termination, withdrawal or noncompliance with applicable law or plan terms or termination, withdrawal or other event similar to an ERISA Event occurs with respect to a Foreign Plan, in each case if any of the events set forth in (i)-(iii) above results in a Lien on the assets

of a Credit Party, or either individually or when taken together with other such events, could reasonably be expected to result in liability of $50,000,000 or more.

11.7 Credit Documents. The Credit Documents or any material provision thereof shall cease to be in full force or effect (other than pursuant to the terms hereof and thereof) or any Guarantor, Grantor or any other Credit Party shall assert in writing that any such Credit Party's obligations thereunder are not to be in effect or are not to be legal, valid and binding obligations (other than pursuant to the terms hereof or thereof).

11.8 Security Documents. The Mortgages or any other Security Document or any material provision thereof, the First Lien/Second Lien Intercreditor Agreement or any material portion thereof, or a Junior Lien Intercreditor Agreement or any material portion thereof, in each case shall cease to be in full force or effect (other than pursuant to the terms hereof or thereof), or any grantor thereunder or any other Credit Party shall assert in writing that any grantor's obligations under the Collateral Agreement, the Mortgages or any other Security Document are not in effect or not legal, valid and binding obligations (other than pursuant to the terms hereof or thereof).

11.9 Judgments. One or more monetary judgments or decrees shall be entered against the Borrower or any of the Restricted Subsidiaries involving a liability of $50,000,000 or more in the aggregate for all such judgments and decrees for the Borrower and the Restricted Subsidiaries (to the extent not paid or covered by insurance provided by a carrier not disputing coverage), which judgments or decrees are not satisfied, vacated, discharged or effectively waived or stayed or bonded pending appeal within sixty (60) consecutive days after the entry thereof.

11.10 Change of Control. A Change of Control shall have occurred.

11.11 Intercreditor Agreements. (i) Any of the Obligations of any Credit Party under the Credit Documents for any reason shall cease to be (x) "Senior Debt," "Senior Indebtedness," "Guarantor Senior Debt" or "Senior Secured Financing" (or, in each case, any comparable term) under, and as defined in, any document governing Other Debt or (y) "Senior Obligations" (or any comparable term) under, and as defined in, any Junior Lien Intercreditor Agreement or (ii) the subordination provisions set forth in any Junior Lien Intercreditor Agreement, Subordination Agreement or other document governing Other Debt shall, in whole or in part, cease to be effective or cease to be legally valid, binding and enforceable against the holders of such Other Debt or parties to (or purported to be bound by) the Subordination Agreement, in each case, if applicable.

11.12 Remedies. If any Event of Default (other than an Event of Default under Section 11.5) shall at any time have occurred and be continuing, then the Administrative Agent shall, upon the written request of the Majority Lenders, with written notice to the Borrower, without prejudice to the rights of the Administrative Agent, the Collateral Agent or any Lender to otherwise enforce its claims against the Borrower or any other Credit Party, except as otherwise specifically provided for in this Agreement declare the principal of, and any accrued interest, Applicable Premium and other fees in respect of, any and all Loans and any and all Obligations owing under this Agreement and each other Credit Document to be, whereupon the same shall become, forthwith due and payable, in each case, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower and each other Credit Party. If any Event of Default under Section 11.5 shall at any time have occurred and be continuing, then the principal of, and any accrued interest, Applicable Premium and other fees in respect of, any and all Loans and any and all Obligations owing under this Agreement and each other Credit Document shall immediately and automatically become forthwith due and payable, in each case, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower and each other Credit Party, all without prejudice to the rights of the Administrative Agent, the Collateral Agent or any

Lender to otherwise enforce its claims against the Borrower or any other Credit Party, except as otherwise specifically provided for in this Agreement. In addition, after the occurrence and during the continuance of an Event of Default, the Administrative Agent, the Collateral Agent and the Lenders will have all other rights and remedies available at law and equity.

11.13 Application of Proceeds. Any amount received by the Administrative Agent or the Collateral Agent from any Credit Party (or from proceeds of any Collateral) following any acceleration of the Obligations under this Agreement or any Event of Default under Section 11.5 shall, subject to the terms of the First Lien/Second Lien Intercreditor Agreement and any Junior Lien Intercreditor Agreement, be applied:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and any other amounts (including fees, disbursements and other charges of counsel payable under Sections 5.4, 12.7 and 13.5 and amounts payable under Article II) payable to the Administrative Agent and/or Collateral Agent in such Person's capacity as such;

Second, to payment of that portion of the Obligations constituting fees, indemnities, the Applicable Premium (if any) and any other amounts (other than principal and interest) payable to the Lenders (including fees, disbursements and other charges of counsel payable under Section 12.7) arising under the Credit Documents and amounts payable to the Lenders under Article II, ratably among the Lenders in proportion to the respective amounts described in this clause Second payable to the Lenders;

Third, to payment of that portion of the Obligations constituting accrued and unpaid interest on the Loans, ratably among the Lenders in proportion to the respective amounts described in this clause Third payable to such Lenders;

Fourth, to payment of that portion of the Obligations constituting unpaid principal of the Loans, ratably among the Lenders in proportion to the respective amounts described in this clause Fourth held by such Lenders;

Fifth, to the payment of all other Obligations of the Credit Parties owing under or in respect of the Credit Documents that are due and payable to the Administrative Agent and the other Secured Parties on such date, ratably among the Secured Parties in proportion to the respective aggregate amounts described in this clause Fifth payable to the Administrative Agent and the other Secured Parties as of such date; and

Last, the balance, if any, after all of the Obligations have been paid in full, to the Borrower or as otherwise required by Requirements of Law.

11.14 Equity Cure.

(a) Notwithstanding anything to the contrary contained in this Section 11 or in any Credit Document, in the event that the Borrower fails to comply with the Leverage Ratio Covenant and/or the Current Ratio Covenant, then (A) until the expiration of the tenth Business Day subsequent to the date the compliance certificate for calculating the applicable Financial Performance Covenant is required to be delivered pursuant to Section 9.1(c) (the "Cure Deadline"), the Borrower shall have the right to cure such failure (the "Cure Right") by receiving sufficient cash proceeds to cure such failure (which cash proceeds shall be received no earlier than the first day of the applicable fiscal quarter for which there is a failure to comply with the applicable Financial Performance Covenant) from an issuance of Qualified Equity Interests (other than Disqualified Stock) of the Borrower for cash as a cash capital contribution to the Borrower (or

from any other contribution of cash to the capital of the Borrower or issuance or sale of any other Equity Interests on terms reasonably acceptable to the Majority Lenders), and upon receipt by the Borrower of such sufficient cash proceeds to cure such failure (such cash amount being referred to as the "Cure Amount") pursuant to the exercise of such Cure Right, the Leverage Ratio Covenant and/or the Current Ratio Covenant (as applicable) shall be recalculated giving effect to the following pro forma adjustments:

(i) (A) Consolidated EBITDAX shall be increased, solely for the purpose of determining the existence of an Event of Default resulting from a breach of the Leverage Ratio Covenant with respect to any Test Period that includes the fiscal quarter for which the Cure Right was exercised and not for any other purpose under this Agreement, by an amount equal to the Cure Amount and/or (B) Consolidated Current Assets shall be increased, solely for the purpose of determining the existence of an Event of Default resulting from a breach of the Current Ratio Covenant with respect to any Test Period that includes the fiscal quarter for which the Cure Right was exercised and not for any other purpose under this Agreement, by an amount equal to the Cure Amount;

(ii) neither Consolidated Total Debt nor Consolidated Current Liabilities for such Test Period shall be decreased by any prepayments of Indebtedness with the proceeds of the Cure Amount and any cash proceeds shall not be "netted" for purposes of ratio calculations with respect to any four fiscal quarter period that includes the fiscal quarter period for which such Cure Right was exercised; and

(iii) if, after giving effect to the foregoing recalculations, the Borrower shall then be in compliance with the requirements of the Financial Performance Covenants, the Borrower shall be deemed to have satisfied the requirements of the Financial Performance Covenants as of the relevant date of determination with the same effect as though there had been no failure to comply therewith at such date, and the applicable breach or default of the applicable Financial Performance Covenant that had occurred shall be deemed cured for the purposes of this Agreement; *provided* that (A) in each period of four (4) consecutive fiscal quarters there shall be at least two (2) fiscal quarters in which no Cure Right is exercised, (B) Cure Rights shall not be exercised more than five times during the term of this Agreement, (C) if the Borrower cures the failure to comply with both Financial Performance Covenants in the same fiscal quarter, such cures shall constitute a single cure for purposes of the preceding subclause (B), (D) if the Borrower cures the failure to comply with both Financial Performance Covenants in the same fiscal quarter, the same dollar of the Cure Amount shall be applied only once to either increase Consolidated EBITDAX or Consolidated Current Assets, but not both, (E) each Cure Amount shall be no greater than the amount required to cause the Borrower to be in compliance with the applicable Financial Performance Covenant above (such amount, the "Necessary Cure Amount"); provided that if the Cure Right is exercised prior to the earlier of (x) the date financial statements are required to be delivered under Section 9.1 for such fiscal quarter and (y) the date financial statements are actually delivered under Section 9.1 for such fiscal quarter, then the "Cure Amount" required to be received by the Borrower hereunder as of such date shall be equal to the amount reasonably determined by the Borrower in good faith that is required for purposes of curing such failure to comply with the Financial Performance Covenant for such fiscal quarter (such amount, the "Expected Cure Amount"), (F) in respect of the fiscal quarter in which such Cure Right was exercised and for each Test Period that includes such fiscal quarter, all Cure Amounts shall be disregarded for the purposes of any financial ratio determination under the Credit Documents other than for determining compliance with the Financial Performance Covenants and (G) no Lender shall be required to make any extension of credit hereunder during the ten (10) Business Day period referred to above, unless the Borrower shall have received the Necessary Cure Amount; and

(iv) upon receipt by the Administrative Agent of written notice from a Financial Officer of the Borrower (which notice the Administrative Agent shall promptly transmit to each of the Lenders), on or prior to the Cure Deadline, that the Borrower intends to exercise the Cure Right in respect of a fiscal quarter, solely during the period prior to the Cure Deadline, the Lenders shall not be permitted to accelerate Loans held by them or to exercise remedies against the Collateral solely on the basis of such failure to comply with the requirements of the Financial Performance Covenants; provided that, if such failure is not cured pursuant to the exercise of the Cure Right on or prior to the Cure Deadline, or if any other Event of Default shall have occurred during such period (including, for the avoidance of doubt, any Event of Default under Section 11.4 as a result of any failure by the Borrower to comply with such Financial Performance Covenant under (and as defined in) the First Lien Exit Credit Agreement). or equivalent term or covenant under the documentation governing such other Material Indebtedness), such Pending Cure Standstill shall immediately and automatically terminate and be of no further force or effect, and the rights of the Lenders to accelerate the Loans and/or to exercise remedies against the Collateral shall be immediately and automatically restored without any further action (nor the requirement to take any further action) by any Person.

(b) Expected Cure Amount. Notwithstanding anything herein to the contrary, to the extent that the Expected Cure Amount previously determined by the Borrower is less than the Necessary Cure Amount, then not later than the applicable Cure Deadline, the Borrower must receive additional cash proceeds from the issuance of Qualified Equity Interests (other than Disqualified Stock) or from any other contribution of cash to the capital of the Borrower or issuance or sale of any other Equity Interests on terms reasonably acceptable to the Majority Lenders), equal to the shortfall between such Expected Cure Amount and such Necessary Cure Amount.

SECTION 12. THE AGENTS

12.1 Appointment; Lender Direction.

(a) Each Lender hereby irrevocably designates and appoints the Administrative Agent as the administrative agent of such Lender under this Agreement and the other Credit Documents and irrevocably authorizes the Administrative Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Credit Documents and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent by the terms of this Agreement and the other Credit Documents, together with such other powers as are reasonably incidental thereto. The provisions of this Section 12 (other Sections 12.9, 12.11, 12.12 and the last sentence of Section 12.4 with respect to the Borrower) are solely for the benefit of the Agents and the Lenders, and the Borrower shall not have rights as third party beneficiary of any such provision.

(b) Each of the Secured Parties hereby irrevocably designates and appoints the Collateral Agent as the collateral agent with respect to the Collateral, and each of the Secured Parties irrevocably authorizes the Collateral Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Credit Documents and to exercise such powers and perform such duties as are expressly delegated to the Collateral Agent by the terms of this Agreement and the other Credit Documents, together with such other powers as are reasonably incidental thereto. Without limiting the generality of the foregoing, the Secured Parties hereby expressly authorize the Collateral Agent to (i) execute any and all documents with respect to the Collateral and the rights of the Secured Parties with respect thereto (including any release, amendment, supplement, modification or joinder with respect thereto), as expressly set forth in this Agreement and the Security Documents and acknowledge and agree that any such action by the Collateral Agent shall bind the Secured Parties and (ii) pursuant to the direction of the Majority Lenders, negotiate, enforce or settle any claim, action or proceeding affecting the Secured

Parties in their capacity as such, which negotiation, enforcement or settlement will be binding upon each Secured Party. In addition, to the extent required under the laws of any jurisdiction other than within the United States, each Secured Party hereby grants to the Collateral Agent any required powers of attorney to execute and enforce any Security Document governed by the laws of such jurisdiction. For the avoidance of doubt, the Collateral Agent shall be entitled to all rights, privileges, protections, immunities, and indemnities set forth in the Credit Documents in favor of the Administrative Agent.

(c) Each Lender authorizes and directs each Agent to enter into, and agrees to be bound by, this Agreement, the Security Documents, and the other Credit Documents. Each Lender hereby acknowledges and agrees that (x) the foregoing instructed actions constitute an instruction from all the Lenders under this Section 12 and (y) this Section 12 and Section 13.5 and any other rights, privileges, protections, immunities, and indemnities in favor of the Agents hereunder apply to any and all actions taken or not taken by the Agents in accordance with such instruction. Each Lender agrees that any action taken by the Agents in accordance with the terms of this Agreement or the other Credit Documents relating to the Collateral and the exercise by the Agents of their powers set forth therein or herein, together with such other powers that are reasonably incidental thereto, shall be binding upon all of the Lenders.

(d) Notwithstanding any provision to the contrary elsewhere in this Agreement, the duties of each Agent shall be mechanical and administrative in nature, and neither Agent shall have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Credit Document or otherwise exist against any Agent, regardless of whether a Default or Event of Default has occurred and is continuing. Without limiting the generality of the foregoing, the use of the term "agent" in this Agreement or the other Credit Documents with reference to any Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only a representative relationship between independent contracting parties.

12.2 Delegation of Duties. The Administrative Agent and the Collateral Agent may each perform any of its duties and exercise its rights and powers under this Agreement and the other Credit Documents by or through agents, sub-agents, employees or attorneys-in-fact (each, a "Subagent") and shall be entitled to advice of counsel concerning all matters pertaining to such duties, rights and powers; provided, however, that no such Subagent shall be authorized to take any action with respect to any Collateral unless and except to the extent expressly authorized in writing by the Collateral Agent. Any such Subagents shall be entitled to all such protections set forth in this Section 12. If any Subagent, or successor thereto, shall die, become incapable of acting, resign or be removed, all rights, powers, privileges and duties of such Subagent, to the extent permitted by law, shall automatically vest in and be exercised by the appointing Agent until the appointment of a new Subagent. Neither the Administrative Agent nor the Collateral Agent shall be responsible for the negligence or misconduct of any Subagents selected by it except to the extent that a court of competent jurisdiction determines in a final and non-appealable judgment that such Agent acted with gross negligence or willful misconduct in the selection of such Subagent.

12.3 Exculpatory Provisions. No Agent nor any of its Related Parties shall be (a) liable for any action lawfully taken or omitted to be taken by any of them under or in connection with this Agreement or any other Credit Document (except for its or such Person's own gross negligence or willful misconduct, as determined by a final non-appealable judgment of a court of competent jurisdiction, in connection with its duties expressly set forth herein) (IT BEING THE INTENTION OF THE PARTIES HERETO THAT EACH AGENT AND ITS RELATED PARTIES SHALL, IN ALL CASES, BE INDEMNIFIED FOR ITS ORDINARY, COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE), (b) responsible or liable to any of the Lenders or any participant for, or have any duty to ascertain or inquire into, or inspect or monitor in any manner, (i) any recitals, statements, representations or warranties made by any of the

Borrower, any other Credit Party, any officer thereof or any other Person contained in this Agreement or any other Credit Document, (ii) the contents of any certificate, report, statement or other document referred to or provided for in, or received by such Agent under or in connection with, this Agreement or any other Credit Document, (iii) the observance or performance of any of the covenants, agreements, or other terms or conditions contained in this Agreement or any other Credit Document, the use of the proceeds of the Loans, or the occurrence of any Default or Event of Default, (iv) the execution, value, validity, effectiveness, genuineness, enforceability, collectability or sufficiency of this Agreement or any other Credit Document, or the creation, perfection, maintenance or continuation of perfection, or priority of any Lien or security interest created or purported to be created under the Security Documents (including, for the avoidance of doubt, in connection with any Agent's reliance on any Electronic Signature transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page), (v) the value or the sufficiency of any Collateral, (vi) whether the Collateral exists, is owned by the Borrower or any other Credit Party, is cared for, protected, or insured or has been encumbered, or meets the eligibility criteria applicable in respect thereof, (vii) the satisfaction of any condition set forth in Section 6 or elsewhere, other than to confirm receipt of items expressly required to be delivered to such Agent, (viii) the properties, books, records, financial condition or business affairs of any Credit Party or any other Person or (ix) any failure of the Borrower or any other Credit Party to perform its obligations hereunder or thereunder or (c) have any liability arising from confirmations of the amount of outstanding Loans or any component amounts thereof. For the avoidance of doubt, and without limiting the other protections set forth in this Section 12, with respect to any determination, designation, or judgment to be made by any Agent herein or in the other Credit Documents, such Agent shall be entitled to request that the Majority Lenders (or such other number or percentage of Lenders as is required under the Credit Documents) make or confirm such determination, designation, or judgment. Nothing in this Agreement or any other Credit Document shall require any Agent or its Related Parties to expend or risk their own funds or otherwise incur any financial liability in the performance of any duties or in the exercise of any rights or powers hereunder.

12.4 Reliance by Agents. The Administrative Agent and the Collateral Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, request, instrument, consent, certificate, affidavit, letter, telecopy, telex or teletype message, email, statement, order or other document or instruction believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including counsel to the Borrower), independent accountants and other experts selected by the Administrative Agent or the Collateral Agent. The Administrative Agent may deem and treat any Person specified in the Register with respect to any amount owing hereunder as the owner thereof for all purposes unless a written Assignment and Assumption thereof shall have been filed with the Administrative Agent. The Administrative Agent and the Collateral Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Credit Document unless it shall first receive such advice or concurrence of the Majority Lenders (or such other number or percentage of Lenders as is required under the Credit Documents) as it deems appropriate; provided that neither the Administrative Agent nor the Collateral Agent shall be required to take any action that, in its opinion or the opinion of its counsel, may (a) expose the Administrative Agent or the Collateral Agent to liability or that is contrary to any Credit Document or applicable law or (b) be in violation of the automatic stay under any requirement of law relating to bankruptcy, insolvency, reorganization, or relief of debtors; provided, further, that if the Administrative Agent or the Collateral Agent so requests, it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such directed action; provided, further, that the Administrative Agent or the Collateral Agent may seek clarification or further direction from the Majority Lenders (or such other number or percentage of Lenders as is required under the Credit Documents) prior to taking any such directed action and may refrain from acting until such clarification or further direction has been provided. Notwithstanding any provision in this Agreement to the contrary, the Administrative Agent and the Collateral Agent have no liability for acting,

or in refraining from acting, and shall be fully protected in acting, or in refraining from acting, under this Agreement and the other Credit Documents in accordance with a request of the Majority Lenders (or such other number or percentage of Lenders as is required under the Credit Documents), and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans. For purposes of determining compliance with the conditions specified in Section 6 and Section 7 on the Closing Date, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

12.5 Notice of Default. Neither the Administrative Agent nor the Collateral Agent shall be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the Administrative Agent or Collateral Agent, as applicable, has received written notice from a Lender or the Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". In the event that the Administrative Agent receives such a notice, it shall give notice thereof to the Lenders and the Collateral Agent. Subject to Section 12.4, the Administrative Agent or the Collateral Agent, as applicable, shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Majority Lenders; provided that unless and until such Agent shall have received such directions, such Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders except to the extent that this Agreement requires that such action be taken only with the approval or consent of the Majority Lenders, the Majority Class Lenders, each individual Lender or adversely affected Lender, as applicable.

12.6 Non-Reliance on Administrative Agent, Collateral Agent and Other Lenders. Each Lender expressly acknowledges that neither the Administrative Agent nor the Collateral Agent nor any of their respective Related Parties has made any representations or warranties to it and that no act by the Administrative Agent or Collateral Agent hereinafter taken, including any review of the affairs of the Borrower or any other Credit Party, shall be deemed to constitute any representation or warranty by the Administrative Agent, Collateral Agent or their respective Related Parties to any Lender. Each Lender represents to the Administrative Agent and the Collateral Agent that it has, independently and without reliance upon the Administrative Agent, Collateral Agent, any other Lender or any of their respective Related Parties, and based on such documents and information as it has deemed appropriate, made its own appraisal of, and an investigation into, the business, operations, property, financial and other condition and creditworthiness of the Borrower and each other Credit Party and made its own decision to make its Loans hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon the Administrative Agent, Collateral Agent, any other Lender or any of their respective Related Parties, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Credit Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Borrower and any other Credit Party. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder, neither the Administrative Agent nor the Collateral Agent shall have any duty or responsibility to provide any Lender with any credit or other information concerning the business, assets, operations, properties, financial condition, prospects or creditworthiness of the Borrower or any other Credit Party that may come into the possession of the Administrative Agent or Collateral Agent or any of their respective Related Parties. Each Lender agrees that it will not assert any claim against any Agent based on an alleged breach of fiduciary duty by such Agent in connection with this Agreement, the other Credit Documents, or the Transactions contemplated hereby.

12.7 Indemnification. The Lenders severally agree to pay, reimburse and indemnify the Administrative Agent, the Collateral Agent and their respective Related Parties, each in its capacity as such (to the extent not reimbursed by the Borrower and/or the Guarantors and without limiting the obligation of the Borrower and the Guarantors to do so), ratably according to their respective portions of the Loans outstanding in effect on the date on which indemnification is sought (or, if indemnification is sought after Payment in Full, ratably in accordance with their respective portions of the Loans in effect immediately prior to such date on which Payment in Full occurred), from and against any and all Indemnified Liabilities; provided that no Lender shall be liable to the Administrative Agent, the Collateral Agent or their respective Related Parties for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Administrative Agent's, Collateral Agent's or Related Party's, as applicable, gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction; provided, further, that no action taken or not taken in accordance with the directions of the Majority Lenders (or such other number or percentage of the Lenders as shall be required by the Credit Documents) shall be deemed to constitute gross negligence or willful misconduct for purposes of this Section 12.7. In the case of any investigation, litigation or proceeding giving rise to any liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time occur (including at any time following the payment of the Loans), this Section 12.7 applies whether any such investigation, litigation or proceeding is brought by any Lender or any other Person. Without limitation of the foregoing, each Lender shall reimburse the Administrative Agent and the Collateral Agent upon demand for its ratable share of any costs or out-of-pocket expenses (including Attorney Costs) incurred by such Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice rendered in respect of rights or responsibilities under, this Agreement, any other Credit Document, or any document contemplated by or referred to herein, to the extent that such Agent is not reimbursed for such expenses by or on behalf of the Borrower; provided that such reimbursement by the Lenders shall not affect the Borrower's or the Guarantors' continuing reimbursement obligations with respect thereto. If any indemnity furnished to any Agent for any purpose shall, in the opinion of such Agent, be insufficient or become impaired, such Agent may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished; provided, in no event shall this sentence require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement in excess of such Lender's pro rata portion thereof; and provided, further, this sentence shall not be deemed to require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement resulting from such Agent's gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction; provided, further, that no action taken or not taken in accordance with the directions of the Majority Lenders (or such other number or percentage of the Lenders as shall be required by the Credit Documents) shall be deemed to constitute gross negligence or willful misconduct. This Section 13.8 shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

12.8 Agents in Its Individual Capacities. Each Agent and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with the Borrower and any other Credit Party as though such Agent were not an Agent hereunder and under the other Credit Documents. With respect to any Loans made by it, each Agent shall have the same rights and powers under this Agreement and the other Credit Documents as any Lender and may exercise the same as though it were not an Agent, and the terms "Lender" and "Lenders" shall include each Agent in its individual capacity.

12.9 Successor Agents. Each of the Administrative Agent and Collateral Agent may at any time give notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, as the case may be, the Majority Lenders shall have the right, subject to the consent of the

Borrower (not to be unreasonably withheld, conditioned or delayed) so long as no Default under Section 11.1 or 11.5 is continuing, to appoint a successor. If, in the case of a resignation of a retiring Agent, no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within thirty (30) days after the retiring Agent gives notice of its resignation, then the retiring Agent may on behalf of the Lenders, appoint a successor Agent; provided that if the Administrative Agent shall notify the Borrower and the Lenders that no Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (a) the retiring Agent shall be discharged from its duties and obligations hereunder and under the other Credit Documents (except that in the case of any collateral security held by the retiring Collateral Agent on behalf of the Lenders under the Credit Documents, the retiring Collateral Agent shall continue to hold such collateral security in trust (for the benefit of the Secured Parties) until such time as a successor Collateral Agent is appointed) and (b) all payments, communications and determinations provided to be made by, to or through the retiring Agent shall instead be made by or to each Lender directly, until such time as the Majority Lenders appoint a successor Agent as provided for above in this Section 12.9). Upon the acceptance of a successor's appointment as the Administrative Agent or Collateral Agent, as the case may be, hereunder, and upon the execution and filing or recording of such financing statements, or amendments thereto, and such other instruments or notices, as may be necessary or desirable, or as the Majority Lenders may request, in order to continue the perfection of the Liens granted or purported to be granted by the Security Documents, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Agent, and the retiring Agent shall be discharged from all of its duties and obligations hereunder or under the other Credit Documents (if not already discharged therefrom as provided above in this Section 12.9). After the retiring Agent's resignation hereunder and under the other Credit Documents, the provisions of this Section 12 (including Section 12.7) and Section 13.5 and all other rights, privileges, protections, immunities, and indemnities granted to such Agent hereunder shall continue in effect for the benefit of such retiring Agent, its Subagents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Agent was acting as an Agent.

12.10 [Reserved].

12.11 Security Documents and Intercreditor Agreements and Collateral Agent under Security Documents, Intercreditor Agreements and Guarantee. Each Secured Party hereby further authorizes the Administrative Agent or Collateral Agent, as applicable, on behalf of and for the benefit of Secured Parties, to be the agent for and representative of the Secured Parties with respect to the Collateral and the Security Documents. Subject to Section 13.1, without further written consent or authorization from any Secured Party, the Administrative Agent or Collateral Agent, as applicable, may take such action and execute and deliver any such instruments, documents and agreements necessary or desirable to evidence and confirm the release of any Guarantor or Collateral pursuant to Section 13.17. The Lenders irrevocably agree that (x) the Collateral Agent is authorized and the Collateral Agent agrees it shall (for the benefit of Borrower), without any further consent of any Lender, enter into or amend the Junior Lien Intercreditor Agreement and/or amend the First Lien/Second Lien Intercreditor Agreement with the collateral agent or other representatives of the holders of Indebtedness that is permitted to be secured by a Lien on the Collateral that is permitted under this Agreement, in each case for the purpose of adding the holders of such Indebtedness (or their representative) as a party thereto and otherwise causing such Indebtedness to be subject thereto (it being understood that any such amendment, amendment and restatement or supplement may make such other changes to the applicable intercreditor agreement as, in the good faith determination of the Majority Lenders, are required to effectuate the foregoing and with any material modifications to be reasonably satisfactory to the Majority Lenders), (y) the Collateral Agent may rely exclusively on a certificate of an Authorized Officer of the Borrower as to whether any such other Liens are permitted and (z) the First Lien/Second Lien Intercreditor Agreement and any Junior Lien Intercreditor Agreement referred to in clause (x) above, entered into by the Collateral Agent, shall be binding on the Secured Parties. Furthermore, the Lenders hereby authorize and direct the Administrative Agent and the Collateral Agent to

subordinate any Lien on any property granted to or held by the Administrative Agent or Collateral Agent under any Credit Document to the holder of any Lien on such property that is permitted by clause (j) of the definition of "Permitted Liens" and clauses (c), (i), (n), (o), (q) and (u) of Section 10.2; provided that prior to any such request, the Borrower shall have in each case delivered to the Administrative Agent a certificate of an Authorized Officer of the Borrower certifying that such subordination is permitted under this Agreement.

12.12 Right to Realize on Collateral and Enforce Guarantee. Anything contained in any of the Credit Documents to the contrary notwithstanding, the Borrower, the Agents and each Secured Party hereby agree that (a) no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce the Guarantee, it being understood and agreed that all powers, rights and remedies hereunder may be exercised solely by the Collateral Agent, on behalf of the Secured Parties in accordance with the terms hereof and all powers, rights and remedies under the Security Documents may be exercised solely by the Collateral Agent, and (b) in the event of a foreclosure by the Collateral Agent on any of the Collateral pursuant to a public or private sale or other disposition, the Collateral Agent or any Lender may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition and the Collateral Agent, as agent for and representative of the Secured Parties (but not any Lender or Lenders in its or their respective individual capacities unless the Majority Lenders shall otherwise agree in writing) shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by the Collateral Agent at such sale or other disposition.

12.13 Administrative Agent May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding, constituting an Event of Default under Section 11.5, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid hereunder or under any other Credit Document in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Agents (including any claim for the reasonable compensation, expenses, disbursements, advances and indemnities of the Lenders and the Agents and their respective Related Parties, to the extent due under Section 5.4, this Section 12 or Section 13.5) allowed in such proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Agents shall consent to the making of such payments directly to the Lenders, to pay to the Agents any amount due for the reasonable compensation, expenses, disbursements, advances and indemnities of the Agents and their respective Related Parties, to the extent due under Section 5.4, this Section 12 or Section 13.5) allowed in such proceeding.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Indebtedness or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

12.14 Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and the Collateral Agent, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Credit Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments, or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of the Administrative Agent and the Collateral Agent, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Credit Party, that none of the Administrative Agent nor the Collateral Agent is a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent or the Collateral Agent under this Agreement, any Credit Document or any documents related hereto or thereto).

12.15 Credit Bidding. The Secured Parties hereby irrevocably authorize the Agents, at the direction of the Majority Lenders, to credit bid all or any portion of the Obligations (including by accepting

some or all of the Collateral in satisfaction of some or all of the Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (a) at any sale thereof conducted under the provisions of the Bankruptcy Code, including under Sections 363, 1123 or 1129 of the Bankruptcy Code, or any similar laws in any other jurisdictions to which a Credit Party is subject, or (b) at any other sale, foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Agents (whether by judicial action or otherwise) in accordance with any applicable law. In connection with any such credit bid and purchase, the Obligations owed to the Secured Parties shall be entitled to be credit bid by the Agents at the direction of the Majority Lenders on a ratable basis (with Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that shall vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) for the asset or assets so purchased (or for the equity interests or debt instruments of the acquisition vehicle or vehicles that are issued in connection with such purchase). In connection with any such bid (i) the Agents shall be authorized to form one or more acquisition vehicles and to assign any successful credit bid to such acquisition vehicle or vehicles, (ii) each of the Secured Parties' ratable interests in the Obligations which were credit bid shall be deemed without any further action under this Agreement to be assigned to such vehicle or vehicles for the purpose of closing such sale, (iii) the Agents shall be authorized to adopt documents providing for the governance of the acquisition vehicle or vehicles (provided that any actions by the Agents with respect to such acquisition vehicle or vehicles, including any Disposition of the assets or equity interests thereof, shall be governed, directly or indirectly, by, and the governing documents shall provide for, control by the vote of the Majority Lenders or their permitted assignees and designees under the terms of this Agreement or the governing documents of the applicable acquisition vehicle or vehicles, as the case may be, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Majority Lenders contained in Section 13.1 of this Agreement), (iv) the Agents on behalf of such acquisition vehicle or vehicles shall be authorized to issue to each of the Secured Parties, ratably on account of the relevant Obligations which were credit bid, interests, whether as equity, partnership, limited partnership interests or membership interests, in any such acquisition vehicle and/or debt instruments issued by such acquisition vehicle, all without the need for any Secured Party or acquisition vehicle to take any further action, and (v) to the extent that Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason, such Obligations shall automatically be reassigned to the Secured Parties pro rata and the equity interests and/or debt instruments issued by any acquisition vehicle on account of such Obligations shall automatically be cancelled, without the need for any Secured Party or any acquisition vehicle to take any further action. Notwithstanding that the ratable portion of the Obligations of each Secured Party are deemed assigned to the acquisition vehicle or vehicles as set forth in Section 12.15(ii) above, each Secured Party shall execute such documents and provide such information regarding the Secured Party (and/or any designee of the Secured Party which will receive interests in or debt instruments issued by such acquisition vehicle) as the Agents may reasonably request in connection with the formation of any acquisition vehicle, the formulation or submission of any credit bid or the consummation of the transactions contemplated by such credit bid. For the avoidance of doubt, in connection with any credit bid, the Agents shall be entitled to all rights, privileges, protections, immunities, and indemnities afforded to the Agents under this Agreement and the other Credit Documents. No Agent shall be required to take title to any Collateral in its own name without its prior written consent.

12.16 Posting of Communications.

(a) The Borrower agrees that the Administrative Agent may, but shall not be obligated to, make any Communications available to the Lenders by posting the Communications on IntraLinks™, DebtDomain, SyndTrak, ClearPar or any other electronic platform chosen by the Administrative Agent to be its electronic transmission system (the "Approved Electronic Platform").

(b) Although the Approved Electronic Platform and its primary web portal are secured with generally-applicable security procedures and policies implemented or modified by the Administrative Agent from time to time (including, as of the Closing Date, a user ID/password authorization system) and the Approved Electronic Platform is secured through a per-deal authorization method whereby each user may access the Approved Electronic Platform only on a deal-by-deal basis, each of the Lenders and the Borrower acknowledges and agrees that the distribution of material through an electronic medium is not necessarily secure, that the Administrative Agent is not responsible for approving or vetting the representatives or contacts of any Lender that are added to the Approved Electronic Platform, and that there are confidentiality and other risks associated with such distribution. Each of the Lenders and the Borrower hereby approves distribution of the Communications through the Approved Electronic Platform and understands and assumes the risks of such distribution.

(c) The Borrower acknowledges that (a) certain of the Lenders may be "public-side" Lenders (i.e., Lenders that do not wish to receive information of a type that would constitute material non-public information with respect to the Borrower or its securities) (each, a "Public Lender"). The Borrower agrees that (w) at the request of the Administrative Agent, Communications that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Communications "PUBLIC," the Borrower shall be deemed to have authorized the Administrative Agent and the Lenders to treat such Communications as not containing any information of a type that would constitute material non-public information with respect to the Borrower or its securities for purposes of United States federal securities laws (provided, however, that to the extent such Communications constitute Confidential Information, they shall be treated as such as set forth in Section 14.16); (y) all Communications marked "PUBLIC" are permitted to be made available through a portion of the Approved Electronic Platform designated as "Public Investor;" and (z) the Administrative Agent shall be entitled to treat any Communications that are not marked "PUBLIC" as being suitable only for posting on a portion of the Approved Electronic Platform not marked as "Public Investor." Notwithstanding the foregoing, the following Communications shall be deemed "PUBLIC," unless the Borrower notifies the Administrative Agent promptly in writing that any such document contains material non-public information: (1) the Credit Documents, and (2) notification of changes in the terms of the Loans.

(d) Each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Approved Electronic Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable law, including United States Federal and state securities laws, to make reference to Communications that are not made available through the "Public Side Information" portion of the Approved Electronic Platform and that may contain information of a type that would constitute material non-public information with respect to the Borrower or its securities for purposes of United States Federal or state securities laws. In the event that any Public Lender has elected for itself to not access any information disclosed through the Approved Electronic Platform or otherwise, such Public Lender acknowledges that (i) the Agents and other Lenders may have access to such information and (ii) neither the Borrower nor the Agents or other Lenders with access to such information shall have (x) any responsibility for such Public Lender's decision to limit the scope of information it has obtained in connection with this Agreement and the other Credit Documents or (y) any duty to disclose such information to such electing Lender or to use such information on behalf of such electing Lender, and shall not be liable for the failure to so disclose or use such information.

(e) THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS ARE PROVIDED "AS IS" AND "AS AVAILABLE". THE AGENTS AND THEIR RESPECTIVE RELATED PARTIES DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE COMMUNICATIONS, OR THE ADEQUACY OF THE APPROVED ELECTRONIC PLATFORM AND

EXPRESSLY DISCLAIM LIABILITY FOR ERRORS OR OMISSIONS IN THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT OR ANY OF ITS RELATED PARTIES IN CONNECTION WITH THE COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM. IN NO EVENT SHALL ANY AGENT OR ANY OF ITS RELATED PARTIES HAVE ANY LIABILITY TO ANY CREDIT PARTY, ANY LENDER OR ANY OTHER PERSON OR ENTITY FOR DAMAGES OF ANY KIND, INCLUDING DIRECT OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT OF ANY CREDIT PARTY'S OR ANY AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET OR THE APPROVED ELECTRONIC PLATFORM.

(f) Each Lender agrees that notice to it (as provided in the next sentence) specifying that Communications have been posted to the Approved Electronic Platform shall constitute effective delivery of the Communications to such Lender for purposes of the Credit Documents. Each Lender agrees (i) to notify the Administrative Agent in writing (which could be in the form of electronic communication) from time to time of such Lender's email address to which the foregoing notice may be sent by electronic transmission and (ii) that the foregoing notice may be sent to such email address.

(g) Nothing herein shall prejudice the right of the Administrative Agent or any Lender to give any notice or other communication pursuant to any Credit Document in any other manner specified in such Credit Document.

12.17 Survival. The agreements in this Section 12 shall survive the resignation or replacement of any Agent, any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments, the repayment, satisfaction or discharge of all Obligations under any Credit Document, and the termination of this Agreement.

SECTION 13. MISCELLANEOUS.

13.1 Amendments, Waivers and Releases.

(a) Except as expressly set forth in this Agreement, neither this Agreement nor any other Credit Document, nor any terms hereof or thereof, may be amended, supplemented or modified except in accordance with the provisions of this Section 13.1. Subject to Section 2.10(d), the Majority Lenders may (with an executed copy thereof delivered to the Administrative Agent), or, with the written consent of the Majority Lenders, the Administrative Agent and/or the Collateral Agent shall, from time to time, (a) enter into with the relevant Credit Party or Credit Parties written amendments, supplements or modifications hereto and to the other Credit Documents for the purpose of adding any provisions to this Agreement or the other Credit Documents or changing in any manner the rights of the Lenders or of the Credit Parties hereunder or thereunder or (b) waive in writing, on such terms and conditions as the Majority Lenders or the Administrative Agent and/or Collateral Agent (in each case, at the direction of the Majority Lenders), as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Credit Documents or any Default or Event of Default and its consequences; provided that each such waiver and each such amendment, supplement or modification shall be effective only in the specific instance and for the specific purpose for which given; provided, further, that no such waiver and no such amendment, supplement or modification shall (i) forgive or reduce any portion of any Loan or reduce the stated rate (it being understood that only the consent of the Majority Lenders shall be necessary to waive any obligation of the Borrower to pay interest at the Default Rate or amend Section 2.8(c)), or forgive or reduce any

portion, or extend the date (including the Maturity Date) for the payment of any principal, interest or fee payable hereunder (including the Applicable Premium) (other than as a result of waiving the applicability of any post-default increase in interest rates), or extend the final expiration date of any Lender's Commitment or Loan (provided that (1) any Lender, upon the request of the Borrower pursuant to an Extension Offer, may extend the final expiration date of its Loans in accordance with the terms and conditions of Section 2.14, and (2) it is understood that waivers or modifications of conditions precedent to Borrowings, covenants, Defaults or Events of Default shall not constitute an increase of the Commitments of any Lender) or increase the amount of the Commitment of any Lender, or make any Loan, interest, fee or other amount payable in any currency other than Dollars, in each case without the prior written consent of each Lender directly and adversely affected thereby, or (ii)(x) amend, modify, supplement or waive any provision of this Section 13.1 or (y) amend, modify or supplement or waive any application of, the definition of either the term "Majority Lenders" or "Majority Class Lenders" or (z) permit the assignment or transfer by the Borrower of its rights and obligations under any Credit Document (except as permitted pursuant to Section 10.3), in each case without the prior written consent of each Lender, or (iii) amend, modify, supplement or waive any provision of Section 11.13 or Section 5.2(c) or any analogous provision of any other Credit Document, to the extent it would (A) alter the order of payments or the pro rata sharing of payments required thereby as between or among Classes, without the prior written consent of the Majority Class Lenders of each Class directly and adversely affected thereby or (B) alter the order of payments specified therein or the pro rata sharing of payments required thereby, without the prior written consent of each Lender directly and adversely affected thereby, or (iv) amend, modify or waive any provision of Section 12 without the written consent of the then-current Administrative Agent and Collateral Agent, as applicable, or any other former or current Agent to whom Section 12 then applies in a manner that directly and adversely affects such Person, or (v) amend, modify, supplement or waive Section 10.20 or the application thereof without the written consent of each Lender, or (vi) [reserved], or (vii) release all or substantially all of the aggregate value of the Guarantees of the Guarantors without the prior written consent of each Lender, or (viii) release all or substantially all of the Collateral without the prior written consent of each Lender, or (ix) amend Section 2.9 so as to permit Interest Period intervals greater than six (6) months without regard to availability to Lenders, without the written consent of each Lender directly and adversely affected thereby, or (x) [reserved], or (xi) affect the rights or duties of, or any fees or other amounts payable to, any Agent under this Agreement or any other Credit Document without the prior written consent of such Agent. Any such waiver and any such amendment, supplement or modification shall apply equally to each of the affected Lenders and shall be binding upon the Borrower, the Lenders, the Agents and all future holders of the affected Loans. In the case of any waiver, the Borrower, the Lenders and the Agents shall be restored to their former positions and rights hereunder and under the other Credit Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing; it being understood that no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon. In connection with the foregoing provisions, the Administrative Agent may, but shall have no obligations to, with the concurrence of any Lender, execute amendments, modifications, waivers or consents on behalf of such Lender whose consent is required hereunder.

(b) Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that the Commitment of such Defaulting Lender may not be increased or extended without the consent of such Defaulting Lender and no such amendment, waiver or consent shall disproportionately adversely affect such Defaulting Lender without its consent as compared to other Lenders (it being understood that any Commitments or Loans held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of the Lenders).

(c) Without the consent of any Lender, the Credit Parties and the Administrative Agent or Collateral Agent may (in their respective sole discretion, or shall, to the extent required by any Credit Document) enter into any amendment, modification or waiver of any Credit Document, or enter into any new agreement or instrument, to effect the granting, perfection, protection, expansion or enhancement of any security interest in any Collateral or additional property to become Collateral for the benefit of the Secured Parties, or as required by local law to give effect to, or protect any security interest for the benefit of the Secured Parties, in any property or so that the security interests therein comply with applicable law or this Agreement or in each case to otherwise enhance the rights or benefits of any Lender under any Credit Document.

(d) Notwithstanding anything to the contrary herein, no Lender consent is required to effect any amendment, modification or supplement to the First Lien/Second Lien Intercreditor Agreement, any subordination agreement or other intercreditor agreement or arrangement permitted under this Agreement or in any document pertaining to any Indebtedness permitted hereby that is permitted to be secured by the Collateral (i) that is for the purpose of adding the holders of such secured or subordinated Indebtedness permitted to be incurred under this Agreement (or, in each case, a representative with respect thereto), as parties thereto, as expressly contemplated by the terms of the First Lien/Second Lien Intercreditor Agreement, such subordination agreement or such other intercreditor agreement or arrangement permitted under this Agreement, as applicable (it being understood that any such amendment or supplement may make such other changes to the applicable intercreditor agreement as, in the good faith determination of the Administrative Agent, are required to effectuate the foregoing and provided that such other changes are not adverse, in any material respect (taken as a whole), to the interests of the Lenders) or (ii) that is expressly contemplated by the First Lien/Second Lien Intercreditor Agreement, any subordination agreement or other intercreditor agreement or arrangement permitted under this Agreement or in any document pertaining to any Indebtedness permitted hereby that is permitted to be secured by the Collateral or (iii) otherwise, with respect to any material amendments, modifications or supplements, to the extent such amendment, modification or supplement is reasonably satisfactory to the Administrative Agent; provided, further, that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent or Collateral Agent hereunder or under any other Credit Document without the prior written consent of the Administrative Agent or Collateral Agent, as applicable.

(e) The Administrative Agent may, without the consent of any Lender, enter into amendments or modifications to this Agreement or any of the other Credit Documents or to enter into additional Credit Documents as the Administrative Agent reasonably deems appropriate in order to implement any Benchmark Replacement or any Benchmark Replacement Conforming Changes or otherwise effectuate the terms of Section 2.10(d) in accordance with the terms of Section 2.10(d).

(f) Notwithstanding the foregoing, technical and conforming modifications to the Credit Documents (including any exhibit, schedule or other attachment) may be made with the consent of the Borrower and the Administrative Agent (i) if such modifications are not adverse in any material respect to the Lenders or (ii) to the extent necessary to cure any ambiguity, omission, mistake, defect or inconsistency so long as the Lenders shall have received at least five (5) Business Days' prior written notice thereof and the Administrative Agent shall not have received, within five (5) Business Days of the date of such notice to the Lenders, a written notice from the Majority Lenders stating that the Majority Lenders object to such amendment.

(g) Notwithstanding anything in this Agreement or any other Credit Document to the contrary, (x) the Borrower, the applicable Extending Lenders and the Administrative Agent may enter into Extension Amendments in accordance with Section 2.14 and each such Extension Amendment shall be effective to amend the terms of this Agreement and the other applicable Credit Documents, in each case, without any further action or consent of any other party to this Agreement or any other Credit Document (other than as

set forth in Section 2.14) and (y) the Borrower and the Administrative Agent may (and the Administrative Agent is hereby authorized and directed by the Lenders to) enter into any amendments or changes to this Agreement or any other Credit Document as may be necessary or appropriate to effectuate adding covenants and defaults for the benefit of Lenders as provided in Section 2.14 without any further action or consent of any other party to any Credit Document.

13.2 Notices. Unless otherwise expressly provided herein, all notices and other communications provided for hereunder or under any other Credit Document shall be in writing (including by facsimile transmission). All such written notices shall be mailed, faxed or delivered to the applicable address, facsimile number or electronic mail address, as follows:

(a) if to the Borrower, the Administrative Agent or the Collateral Agent, to the address, facsimile number or electronic mail address specified for such Person on Schedule 13.2 or to such other address, facsimile number or electronic mail address as shall be designated by such party in a notice to the other parties; and

(b) if to any other Lender, to the address, facsimile number or electronic mail address specified in its Administrative Questionnaire or to such other address, facsimile number or electronic mail address as shall be designated by such party in a notice to the Borrower, the Administrative Agent and the Collateral Agent.

All such notices and other communications shall be deemed to be given or made upon the earlier to occur of (i) actual receipt by the relevant party hereto and (ii)(A) if delivered by hand or by courier, when signed for by or on behalf of the relevant party hereto; (B) if delivered by mail, three (3) Business Days after deposit in the mails, postage prepaid; (C) if delivered by facsimile, when sent and receipt has been confirmed by telephone; and (D) if delivered by electronic mail, when delivered; provided that notices and other communications to the Administrative Agent or the Lenders pursuant to Sections 2.3, 2.6, 2.9 and 5.1 shall not be effective until received.

13.3 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Administrative Agent, the Collateral Agent or any Lender, any right, remedy, power or privilege hereunder or under the other Credit Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by Requirements of Law.

13.4 Survival of Representations and Warranties. All representations and warranties made hereunder, in the other Credit Documents and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the making of the Loans hereunder. Such representations and warranties shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied (other than contingent or indemnification obligations, in any such case, not then due and payable).

13.5 Payment of Expenses; Indemnification.

(a) The Borrower agrees (i) to pay or reimburse the Administrative Agent and each Lender for all reasonable and documented out-of-pocket costs and expenses incurred in connection with the preparation, negotiation, syndication, execution, delivery and administration of this Agreement and the other Credit Documents, and any amendment, waiver, consent, supplement or other modification of the provisions hereof and thereof (whether or not the transactions contemplated thereby are consummated), and

the consummation and administration of the transactions contemplated hereby and thereby (including all reasonable and documented costs, expenses, taxes, assessments and other charges incurred by the Administrative Agent, Collateral Agent or any Lender in connection with any filing, registration, recording or perfection of any security interest contemplated by this Agreement or any Security Document or any other document referred to therein or conducting of title reviews, mortgage matches and collateral reviews), including all Attorney Costs, which shall be limited to one primary counsel for each of (x) the Agents and their respective Affiliates and (y) the Lenders and their respective Affiliates, collectively, and in each case, one local counsel as reasonably necessary in any relevant material jurisdiction and one regulatory counsel as reasonably necessary with respect to a relevant regulatory matter (and solely in the case of an actual conflict of interest, one additional counsel and (if reasonably necessary) one local counsel and one regulatory counsel in each relevant jurisdiction to the affected parties similarly situated) and (ii) to pay or reimburse the Administrative Agent, Collateral Agent and each Lender for all reasonable and documented out-of-pocket costs and expenses incurred in connection with the enforcement or preservation of any rights or remedies under this Agreement or the other Credit Documents (including all such costs and expenses incurred during any legal proceeding, including any bankruptcy or insolvency proceeding, and including all respective Attorney Costs). The agreements in this Section 13.5 shall survive the resignation or replacement of the Administrative Agent or the Collateral Agent, any assignment of rights by, or the replacement of, any Lender, the termination of the Commitments, the termination of this Agreement and any other Credit Document and the payment, satisfaction or discharge of all Obligations under any Credit Document. All amounts due under this Section 13.5 shall be paid within thirty (30) days after written demand therefor (together with backup documentation supporting such reimbursement request). If any Credit Party fails to pay when due any costs, expenses or other amounts payable by it hereunder or under any Credit Document, such amount may be paid on behalf of such Credit Party by the Administrative Agent in its discretion.

(b) The Borrower shall indemnify and hold harmless each Agent, Lender and their respective Related Parties (collectively the "Indemnitees") from and against any and all liabilities, losses, damages, claims, or out-of-pocket expenses (including Attorney Costs but limited in the case of legal fees and expenses to the reasonable and documented out-of-pocket fees, disbursements and other charges of (A) one primary counsel for the Administrative Agent and its Related Parties and (if reasonably necessary) one local counsel in any relevant material jurisdiction and (B) one primary counsel to all other Indemnitees taken as a whole (and solely in the case of an actual conflict of interest, one additional counsel to the affected Indemnitees, taken as a whole) and (if reasonably necessary) one local counsel, in any relevant material jurisdiction) of any kind or nature whatsoever which may at any time be imposed on, incurred by or asserted against any such Indemnitee in any way relating to or arising out of or in connection with (i) the execution, delivery, enforcement, performance or administration of any Credit Document or any other agreement, letter or instrument delivered in connection with the transactions contemplated thereby or the consummation of the transactions contemplated thereby, (ii) any Commitment or Loan or the use or proposed use of the proceeds therefrom, (iii) the violation of, noncompliance with or liability under, any applicable Environmental Law by the Credit Parties, any actual or alleged Environmental Claim regarding liability or obligation of or relating to the Credit Parties or any Subsidiary, or any actual or alleged presence, Release or Threatened Release of Hazardous Materials involving or relating to the operations of the Borrower, any of its Subsidiaries or any of the Oil and Gas Properties, including any Release or Threatened Release that occurs during any period when any Agent or Lender is in possession of any Oil and Gas Property or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory (including any investigation of, preparation for, or defense of any pending or threatened claim, investigation, litigation or proceeding) (a "Proceeding") and regardless of whether any Indemnitee is a party thereto or whether or not such Proceeding is brought by the Borrower or any other Person and, in each case, whether or not caused by or arising, in whole or in part, out of the negligence of the Indemnitee (all of the foregoing, collectively, the "Indemnified Liabilities"); provided that such indemnity shall not, as to any Indemnitee, be available to the

extent that such liabilities, losses, damages, claims or out-of-pocket expenses resulted from (x) the gross negligence or willful misconduct of such Indemnitee or of any of its Related Indemnified Persons, as determined by a final non-appealable judgment of a court of competent jurisdiction or (y) any dispute solely among Indemnitees other than any claims against an Indemnitee in its capacity or in fulfilling its role as an administrative agent or collateral agent or arranger or any similar role under this Agreement and other than any claims arising out of any act or omission of the Borrower or any of its Affiliates (as determined in a final non-appealable judgment of a court of competent jurisdiction). No Indemnitee shall be liable for any damages arising from the use by others of any information or other materials obtained through IntraLinks or other similar information transmission systems in connection with this Agreement (except for direct (as opposed to indirect, special, punitive or consequential) damages resulting from the gross negligence or willful misconduct of such Indemnitee, as determined by a final non-appealable judgment of a court of competent jurisdiction), nor shall any Indemnitee, Credit Party or any Subsidiary have any liability for any special, punitive, indirect or consequential damages relating to this Agreement or any other Credit Document or arising out of its activities in connection herewith or therewith (whether before or after the Closing Date) (other than, in the case of any Credit Party, in respect of any such damages incurred or paid by an Indemnitee to a third party, or which are included in a third-party claim, and for any out-of-pocket expenses related thereto). In the case of an investigation, litigation or other Proceeding to which the indemnity in this Section 13.5 applies, such indemnity shall be effective whether or not such investigation, litigation or Proceeding is brought by any Credit Party, any Subsidiary of any Credit Party, its directors, stockholders or creditors or an Indemnitee or any other Person, whether or not any Indemnitee is otherwise a party thereto and whether or not any of the transactions contemplated hereunder or under any of the other Credit Documents are consummated. All amounts due under this Section 13.5 shall be paid within thirty (30) days after written demand therefor (together with backup documentation supporting such reimbursement request); provided that such Indemnitee shall promptly refund such amount to the extent that it is determined in a final non-appealable judgment of a court of competent jurisdiction that such Indemnitee was not entitled to indemnification rights with respect to such payment pursuant to the express terms of this Section 13.5. The agreements in this Section 13.5 shall survive the resignation or replacement of the Administrative Agent or the Collateral Agent, any assignment of rights by, or the replacement of, any Lender, the termination of the Commitments, the termination of this Agreement and any other Credit Document and the payment, satisfaction or discharge of all Obligations under any Credit Document. For the avoidance of doubt, this Section 13.5(b) shall not apply to Taxes, except any Taxes that represent liabilities, obligations, losses, damages, penalties, claims, demands, actions, prepayments, suits, costs, expenses and disbursements arising from any non-Tax claims.

13.6 Successors and Assigns; Participations and Assignments.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) except as expressly permitted by Section 10.3, the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer any of its rights or obligations hereunder except in accordance with this Section 13.6. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants (to the extent provided in clause (c) of this Section 13.6) and, to the extent expressly contemplated hereby, any Related Party and each other Person entitled to indemnification under Section 13.5) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in Section 13.6(b)(ii) below, any Lender may at any time assign to one or more assignees (other than the Borrower, its Subsidiaries and their respective Affiliates, any natural person, or any Defaulting Lender) all or a portion of its rights and obligations under

this Agreement (including all or a portion of its Loans at the time owing to it) with the prior written consent of:

(A) the Borrower (not to be unreasonably withheld or delayed); provided that no consent of the Borrower shall be required (x) for an assignment to an existing Lender, an Affiliate of any existing Lender or an Approved Fund with respect to any existing Lender, (y) for an assignment if an Event of Default has occurred and is continuing and (z) for an assignment by the Fronting Lender; provided, further, that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after an Authorized Officer of the Borrower shall have received notice thereof; and

(B) the Administrative Agent (not to be unreasonably withheld or delayed); provided that no consent of the Administrative Agent shall be required (x) for an assignment to an existing Lender, an Affiliate of any existing Lender or an Approved Fund with respect to any existing Lender or (y) for an assignment by the Fronting Lender.

(ii) Assignments of Loans shall be subject to the following additional conditions:

(A) except in the case of an assignment of the entire remaining amount of the assigning Lender's Loans, the amount of the Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than $1,000,000 or an integral multiple of $1,000,000, unless each of the Borrower and the Administrative Agent otherwise consents (which consents shall not be unreasonably withheld or delayed) or such assignment is to an existing Lender, an Affiliate of any existing Lender or an Approved Fund with respect to any existing Lender; provided that no such consent of the Borrower shall be required if an Event of Default has occurred and is continuing; provided, further, that contemporaneous assignments to a single assignee made by Affiliates of Lenders and Approved Funds of Lenders shall be aggregated for purposes of meeting the minimum assignment amount requirements stated above;

(B) except as provided in clause (g) of this Section 13.6, each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of $3,500; provided that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment; provided, further, that such processing and recordation fee shall be waived in the case of any assignment made by (1) the Fronting Lender or (2) any Person that was either (x) an immediate assignee of the Fronting Lender or (y) a Lender (other than the Fronting Lender) as of the Closing Date (the foregoing Persons described in this clause (2), each, a "Closing Date Lender") to an Affiliate of such Closing Date Lender or an Approved Fund of such Closing Date Lender. Upon each assignment hereunder, the Administrative Agent shall enter the relevant information in the Register pursuant to clause (b)(iv) of this Section 13.6; and

(D) the assignee, if it shall not be a Lender immediately prior to such assignment, shall deliver to the Administrative Agent an Administrative Questionnaire and

applicable Tax forms (including those described in Section 5.4(f)) and all "know your customer" documents requested by the Administrative Agent pursuant to anti-money laundering rules and regulations.

(iii) Subject to acceptance and recording thereof pursuant to clause (b)(iv) of this Section 13.6, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.10, 2.11, 5.4 and 13.5). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 13.6 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with clause (c) of this Section 13.6.

(iv) The Administrative Agent, acting solely for this purpose as a nonfiduciary agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amount (and stated interest amounts) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). Further, the Register shall contain the name and address of the Administrative Agent and the lending office through which each such Person acts under this Agreement. The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent, the Collateral Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower, the Collateral Agent and, solely with respect to its own interests, each other Lender, at any reasonable time and from time to time upon reasonable prior written notice.

(iv) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in clause (b)(ii)(C) of this Section 13.6 (unless waived) and any written consent to such assignment required by clause (b)(i) and (ii) of this Section 13.6, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register.

(c) (i) Any Lender may, without the consent of or notice to the Borrower or the Administrative Agent, sell participations to one or more banks or other entities other than any Defaulting Lender, the Borrower or any Subsidiary of the Borrower or their respective Affiliates or natural persons (each, a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the Borrower, the Agents and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement or any other Credit Document; provided that such agreement or instrument may provide that such Lender will not, without the consent of

the Participant, agree to any amendment, modification or waiver described in clause (i) or (ii) of the second proviso of the second sentence of Section 13.1(a) that affects such Participant; provided that the Participant shall have no right to consent to any modification to the percentages specified in the definition of the term "Majority Lenders" or "Majority Class Lenders". Subject to clause (c)(ii) of this Section 13.6, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.10, 2.11 and 5.4 to the same extent as if it were a Lender (subject to the limitations and requirements of those Sections and Sections 2.12 and 13.7) and had acquired its interest by assignment pursuant to clause (b) of this Section 13.6). To the extent permitted by Requirements of Law, each Participant also shall be entitled to the benefits of Section 13.8(b) as though it were a Lender; provided such Participant agrees to be subject to Section 13.8(a) as though it were a Lender.

(ii) A Participant shall not be entitled to receive any greater payment under Section 2.10, 2.11 or 5.4 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent or except to the extent the entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation; provided that the Participant shall be subject to the provisions in Section 2.12 as if it were an assignee under clauses (a) and (b) of this Section 13.6. Each Lender that sells a participation shall, acting solely for this purpose as a nonfiduciary agent of the Borrower, maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest amounts) of each Participant's interest in the Loans or other obligations under this Agreement (the "Participant Register"). The entries in the Participant Register shall be conclusive, absent manifest error, and each party hereto shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. No Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Credit Document) except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) or Proposed Section 1.163-5(b) of the United States Treasury Regulations (or, in each case, any amended or successor version).

(d) Any Lender may, without the consent of the Borrower or the Administrative Agent, at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or any central bank having jurisdiction over such Lender, and this Section 13.6 shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto. In order to facilitate such pledge or assignment or for any other reason, the Borrower hereby agrees that, upon request of any Lender on the Closing Date or at any other time and from time to time after the Borrower has made its initial borrowing hereunder, the Borrower shall provide to such Lender, at the Borrower's own expense, a promissory note, substantially in the form of Exhibit H evidencing the Loans owing to such Lender.

(e) Subject to Section 13.16, the Borrower authorizes each Lender to disclose to any Participant, secured creditor of such Lender or assignee (each, a "Transferee") and any prospective Transferee any and all Confidential Information and financial information in such Lender's possession concerning the Borrower and its Affiliates that has been delivered to such Lender by or on behalf of the Borrower and its Affiliates pursuant to this Agreement or that has been delivered to such Lender by or on behalf of the Borrower and its Affiliates in connection with such Lender's credit evaluation of the Borrower and its Affiliates prior to becoming a party to this Agreement.

(f) The words "execution," "signed," "signature," and words of like import in any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

(g) [Reserved].

(h) Any request for consent of the Borrower pursuant to Section 13.6(b)(i)(A) and related communications, with respect to any request for consent in respect of any assignment relating to Loans, shall be delivered by the Administrative Agent simultaneously to (A) any recipient that is an employee of the Borrower, as designated in writing to the Administrative Agent by the Borrower from time to time (if any) and (B) the chief financial officer of the Borrower or any other Authorized Officer designated by the Borrower in writing to the Administrative Agent from time to time.

(i) Notwithstanding anything in this Agreement to the contrary, any Lender may, at any time, assign all or a portion of its Loans on a non-pro rata basis to the Borrower through open-market purchases or in accordance with the procedures set forth on Exhibit L, pursuant to an offer made by the Borrower available to all Lenders on a pro rata basis (a "Dutch Auction"), in each case subject to the following limitations:

(i) the Borrower shall represent and warrant, as of the date of such assignment and on the date of any such assignment, that neither it, its Affiliates nor any of its respective directors or officers has any Excluded Information that has not been disclosed to the Lenders generally (other than to the extent any such Lender does not wish to receive material non-public information with respect to the Borrower or its Subsidiaries or any of their respective securities) prior to such date;

(ii) immediately and automatically, without any further action on the part of the Borrower, any Lender, the Administrative Agent or any other Person, upon the effectiveness of such assignment of Loans from a Lender to the Borrower, such Loans and all rights and obligations as a Lender related thereto shall, for all purposes under this Agreement, the other Credit Documents and otherwise, be deemed to be irrevocably prepaid (provided that the Borrower shall also pay any applicable premium or call protection), terminated, extinguished, cancelled and of no further force and effect and the Borrower shall neither obtain nor have any rights as a Lender hereunder or under the other Credit Documents by virtue of such assignment;

(iii) the Borrower shall not use the proceeds of any Loans or any revolving Loans (including loans under the First Lien Exit Credit Agreement) for any such assignment; and

(iv) no Event of Default shall have occurred and be continuing before or immediately after giving effect to such assignment.

13.7 Replacements of Lenders under Certain Circumstances.

(a) In the event that any Lender (i) requests reimbursement for amounts owing pursuant to Section 2.10 or 5.4 (other than Section 5.4(b)), (ii) is affected in the manner described in Section 2.10(a)(ii) and as a result thereof any of the actions described in such Section is required to be taken or (iii) becomes a Defaulting Lender, the Borrower shall be entitled to replace such Lender; *provided* that, (A) such replacement does not conflict with any Requirement of Law, (B) the replacement bank or institution shall

purchase, at par, all Loans and the Borrower shall pay all other amounts (other than any disputed amounts), pursuant to Section 2.10, 5.1(c) or 5.4, as the case may be owing to such replaced Lender prior to the date of replacement, (C) the replacement bank or institution, if not already a Lender, and the terms and conditions of such replacement, shall be reasonably satisfactory to the Majority Lenders and (D) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 13.6(b) (provided that the Borrower shall be obligated to pay the registration and processing fee referred to therein unless the replacement Lender pays such fee).

(b) If any Lender (such Lender, a "Non-Consenting Lender") failed to consent to a proposed amendment, waiver, discharge or termination that pursuant to the terms of Section 13.1 requires the consent of all of the Lenders affected and with respect to which the Majority Lenders or the Majority Class Lenders, as applicable, shall have granted their consent, then the Borrower shall have the right (unless such Non-Consenting Lender grants such consent and provided that no Event of Default shall have occurred and be continuing) to replace such Non-Consenting Lender by requiring such Non-Consenting Lender to assign its Loans hereunder to one or more assignees reasonably acceptable to the Administrative Agent; provided that, (i) all Obligations of the Borrower owing to such Non-Consenting Lender being replaced (other than principal, interest and the Applicable Premium) shall be paid in full to such Non-Consenting Lender concurrently with such assignment, (ii) the replacement Lender shall purchase the foregoing by paying to such Non-Consenting Lender a price equal to the principal amount thereof plus accrued and unpaid interest thereon, plus the Applicable Premium and (iii) the Borrower, the Administrative Agent and such Non-Consenting Lender shall otherwise comply with Section 13.6 (provided that the Borrower shall be obligated to pay the registration and processing fee referred to therein unless the replacement Lender pays such fee).

(c) Notwithstanding anything herein to the contrary, each party hereto agrees that any assignment pursuant to the terms of this Section 13.7 may be effected pursuant to an Assignment and Assumption executed by the Borrower, the Administrative Agent and the assignee and that the Lender making such assignment need not be a party thereto.

(d) Any such Lender replacement pursuant to this Section 13.7 shall not be deemed to be a waiver of any rights that the Borrower, the Administrative Agent or any other Lender shall have against the replaced Lender.

13.8 Adjustments; Set-off.

(a) If any Lender (a "Benefited Lender") shall at any time receive any payment in respect of any principal of or interest on all or part of the Loans made by it, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in Section 11.5, or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender entitled thereto, if any, in respect of such other Lender's Loans, or interest thereon, such Benefited Lender shall (i) notify the Administrative Agent of such fact, and (ii) purchase for cash at face value from the other Lenders a participating interest in such portion of each such other Lender's Loans, or shall provide such other Lenders with the benefits of any such collateral, or the proceeds thereof, as shall be necessary to cause such Benefited Lender to share the excess payment or benefits of such collateral or proceeds ratably in accordance with the aggregate principal of and accrued interest on their respective Loans and other amounts owing them; provided that (A) if all or any portion of such excess payment or benefits is thereafter recovered from such Benefited Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest and (B) the provisions of this paragraph shall not be construed to apply to (1) any payment made by the Borrower or any Guarantor pursuant to and in accordance with the terms of this Agreement and the other Credit Documents, (2) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant or (3) any disproportionate payment obtained by a Lender as a result

of the extension by Lenders of the maturity date or expiration date of some but not all Loans or any increase in the Applicable Margin in respect of Loans of Lenders that have consented to any such extension. Each Credit Party consents to the foregoing and agrees, to the extent it may effectively do so under Requirements of Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Credit Party rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Credit Party in the amount of such participation.

(b) After the occurrence and during the continuance of an Event of Default, in addition to any rights and remedies of the Lenders provided by Requirements of Law, each Lender and its Affiliates, shall have the right, without prior notice to the Borrower, any such notice being expressly waived by the Borrower to the extent permitted by applicable Requirements of Law, upon any amount becoming due and payable by the Credit Parties hereunder or under any Credit Document (whether at the stated maturity, by acceleration or otherwise) to set-off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch or agency thereof to or for the credit or the account of the Borrower. Each Lender agrees promptly to notify the Borrower (and the Credit Parties, if applicable) and the Administrative Agent after any such set-off and application made by such Lender; provided that the failure to give such notice shall not affect the validity of such set-off and application.

13.9 Counterparts; Electronic Execution. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Agreement signed by all the parties shall be lodged with the Borrower and the Administrative Agent. Delivery of an executed counterpart of a signature page of (x) this Agreement, (y) any other Credit Document and/or (z) any document, amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to this Agreement, any other Credit Document and/or the transactions contemplated hereby and/or thereby (each an "Ancillary Document") that is an Electronic Signature transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement, such other Credit Document or such Ancillary Document, as applicable. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement, any other Credit Document and/or any Ancillary Document shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be; provided that nothing herein shall require any Agent to accept Electronic Signatures in any form or format without its prior written consent and pursuant to procedures approved by it; provided, further, without limiting the foregoing, (i) to the extent any Agent has agreed to accept any Electronic Signature, the Agents and each of the Lenders shall be entitled to rely on such Electronic Signature purportedly given by or on behalf of the Borrower or any other Credit Party without further verification thereof and without any obligation to review the appearance or form of any such Electronic Signature and (ii) upon the request of any Agent or any Lender, any Electronic Signature shall be promptly followed by a manually executed counterpart. Without limiting the generality of the foregoing, the Borrower and each Credit Party hereby (i) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among any Agent, the Lenders and the Credit Parties, Electronic Signatures transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page and/or any electronic images of this Agreement, any other Credit Document and/or any Ancillary Document shall have the same legal effect, validity and enforceability as any paper original,

(ii) each Agent and each of the Lenders may, at its option, create one or more copies of this Agreement, any other Credit Document and/or any Ancillary Document in the form of an imaged electronic record in any format, which shall be deemed created in the ordinary course of such Person's business, and destroy the original paper document (and all such electronic records shall be considered an original for all purposes and shall have the same legal effect, validity and enforceability as a paper record), (iii) waives any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement, any other Credit Document and/or any Ancillary Document based solely on the lack of paper original copies of this Agreement, such other Credit Document and/or such Ancillary Document, respectively, including with respect to any signature pages thereto and (iv) waives any claim against any Agent, any Lender or any of their respective Related Parties for any losses, claims (including intraparty claims), obligations, penalties, actions, demands, damages, judgments or liabilities of any kind arising solely from any Agent's and/or any Lender's reliance on or use of Electronic Signatures and/or transmissions by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page, including any such losses, claims, obligations, penalties, actions, demands, damages, judgments or liabilities arising as a result of the failure of the Borrower and/or any Credit Party to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

13.10 Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

13.11 Integration. This Agreement and the other Credit Documents represent the agreement of the Borrower, the Guarantors, the Grantors, the Collateral Agent, the Administrative Agent and the Lenders with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Borrower, the Guarantors, the Grantors, any Agent nor any Lender relative to subject matter hereof not expressly set forth or referred to herein or in the other Credit Documents.

13.12 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

13.13 Submission to Jurisdiction; Waivers. Each party hereto hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Credit Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the exclusive general jurisdiction of the courts of the State of New York and the courts of the United States of America for the Southern District of New York, in each case located in New York County, and appellate courts from any thereof; provided that nothing contained herein or in any other Credit Document will prevent any Lender, the Collateral Agent or the Administrative Agent from bringing any action to enforce any award or judgment or exercise any right under the Credit Documents or against any Collateral or any other property of any Credit Party in any other forum in which jurisdiction can be established;

(b) consents that any such action or proceeding shall be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such Person at its address set forth on Schedule 13.2 at such other address of which the Administrative Agent shall have been notified pursuant to Section 13.2;

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by Requirements of Law or shall limit the right to sue in any other jurisdiction;

(e) without limitation of Sections 12.7 and 13.5, waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section 13.13 any special, exemplary, punitive or consequential damages (other than, in the case of any Credit Party, in respect of any such damages incurred or paid by an Indemnitee to a third party, or which are included in a third-party claim, and for any out-of-pocket expenses related thereto); and

(f) agrees that a final judgment in any action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

13.14 Acknowledgments. The Borrower hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Credit Documents;

(b) (i) the credit facility provided for hereunder and any related arranging or other services in connection therewith (including in connection with any amendment, waiver or other modification hereof or of any other Credit Document) are an arm's-length commercial transaction between the Borrower and the other Credit Parties, on the one hand, and the Administrative Agent, the Lenders and the other Agents on the other hand, and the Borrower and the other Credit Parties are capable of evaluating and understanding and understand and accept the terms, risks and conditions of the transactions contemplated hereby and by the other Credit Documents (including any amendment, waiver or other modification hereof or thereof); (ii) in connection with the process leading to such transaction, each of the Administrative Agent, other Agents and the Lenders, is and has been acting solely as a principal and is not the financial advisor, agent or fiduciary for any of the Borrower, any other Credit Parties or any of their respective Affiliates, equity holders, creditors or employees or any other Person; (iii) neither the Administrative Agent, any other Agent, nor any Lender has assumed or will assume an advisory, agency or fiduciary responsibility in favor of the Borrower or any other Credit Party with respect to any of the transactions contemplated hereby or the process leading thereto, including with respect to any amendment, waiver or other modification hereof or of any other Credit Document (irrespective of whether the Administrative Agent or any other Agent or any Lender has advised or is currently advising any of the Borrower, the other Credit Parties or their respective Affiliates on other matters) and none of the Administrative Agent, any Agent or any Lender has any obligation to any of the Borrower, the other Credit Parties or their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Credit Documents; (iv) the Administrative Agent and its Affiliates, each other Agent and each of its Affiliates and each Lender and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its respective Affiliates, and none of the Administrative Agent, any other Agent or any Lender has any obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship; and (v) none of the Administrative Agent, any Agent or any Lender has provided and none will provide any legal, accounting, regulatory or tax advice with respect to any of the transactions contemplated hereby (including any amendment, waiver or other modification hereof or of any other Credit Document) and the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate. The Borrower hereby waives and releases, to the fullest

extent permitted by law, any claims that it may have against the Administrative Agent and each Agent with respect to any breach or alleged breach of agency or fiduciary duty; and

(c) no joint venture is created hereby or by the other Credit Documents or otherwise exists by virtue of the transactions contemplated hereby among the Agents and the Lenders or among the Borrower, on the one hand, and any Agent or any Lender, on the other hand.

13.15 WAIVERS OF JURY TRIAL. THE BORROWER, EACH AGENT AND EACH LENDER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

13.16 Confidentiality. The Administrative Agent, each other Agent and each other Lender shall hold all information not marked as "public information" and furnished by or on behalf of the Borrower or any of its Subsidiaries in connection with such Lender's evaluation of whether to become a Lender hereunder or obtained by such Lender, the Administrative Agent or such other Agent pursuant to the requirements of this Agreement ("Confidential Information"), confidential in accordance with its customary procedure for handling confidential information of this nature and in any event may make disclosure to any other Lender hereto and (a) to its Affiliates and its Affiliates' employees, legal counsel, independent auditors and other experts or agents (collectively, the "Representatives") who need to know such information in connection with the Transactions and are informed of the confidential nature of such information (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such information and instructed to keep such information confidential); (b) to the extent requested by any Governmental Authority or self-regulatory authority having jurisdiction over such Person; provided that the Administrative Agent or such Lender, as applicable, agrees that it will notify the Borrower as soon as practicable in the event of any such disclosure by such Person (other than at the request of a regulatory authority or examiner) unless such notification is prohibited by law, rule or regulation; (c) to the extent required by applicable Requirements of Law or regulations or by any subpoena or similar legal process; provided that the Administrative Agent or such Lender, as applicable, agrees that it will notify the Borrower as soon as practicable in the event of any such disclosure by such Person (other than at the request of a regulatory authority or examiner) unless such notification is prohibited by law, rule or regulation; (d) subject to an agreement containing provisions at least as restrictive as those set forth in this Section 13.16 (or as may otherwise be reasonably acceptable to the Borrower), to any pledgee referred to in Section 13.6(d), counterparty to a Hedge Agreement, credit insurer, eligible assignee of or participant in, or any prospective eligible assignee of or participant in any of its rights or obligations under this Agreement pursuant to Section 13.6, provided that the disclosure of any such Confidential Information to any Lenders or eligible assignees or participants shall be made subject to the acknowledgement and acceptance by such Lender, eligible assignee or participant that such Confidential Information is being disseminated on a confidential basis (on substantially the terms set forth in this Section 13.16 or as otherwise reasonably acceptable to the Borrower) in accordance with the standard processes of the Administrative Agent or customary market standards for dissemination of such type of Confidential Information; (e) with the prior written consent of the Borrower; (f) to the extent such Confidential Information becomes public other than by reason of disclosure by such Person in breach of this Agreement; *provided* that unless prohibited by applicable Requirements of Law, each Lender, the Administrative Agent and each other Agent shall endeavor to notify the Borrower (without any liability for a failure to so notify the Borrower) of any request made to such Lender, the Administrative Agent or such other Agent, as applicable, by any governmental agency or representative thereof (other than any such request in connection with an examination of the financial condition of such Lender by such governmental agency) for disclosure of any such non-public information prior to disclosure of such information; provided, further, that in no event shall any Lender, the Administrative Agent or any other Agent be obligated or required to return any materials furnished by the Borrower or any Subsidiary; (g) to any rating agency when required by it (it being understood that, prior to

any such disclosure, such rating agency shall undertake to preserve the confidentiality of any information relating to Credit Parties and their Subsidiaries received by it from such Lender) or to the CUSIP Service Bureau or any similar organization; or (h) to the extent such Confidential Information is independently developed by or was in the prior possession of such Agent, such Lender or any of their respective Affiliates so long as not based on information obtained in a manner that would violate this Section 13.16. In addition, each Lender, the Administrative Agent and each other Agent may provide Confidential Information to prospective Transferees or to any pledgee referred to in Section 13.6 as long as such Person is advised of and agrees to be bound by the provisions of this Section 13.16 or confidentiality provisions at least as restrictive as those set forth in the Section 13.16.

Each Lender acknowledges that information furnished to it pursuant to this Agreement or the other Credit Documents may include material non-public information concerning the Borrower and its Affiliates and their related parties or their respective securities, and confirms that it has developed compliance procedures regarding the use of material non-public information and that it will handle such material non-public information in accordance with those procedures and applicable law, including federal and state securities laws.

All information, including requests for waivers and amendments, furnished by the Borrower or the Administrative Agent pursuant to, or in the course of administering, this Agreement or the other Credit Documents will be syndicate-level information, which may contain material non-public information about the Borrower and its Affiliates and their related parties or their respective securities. Accordingly, each Lender represents to the Borrower and the Administrative Agent that it has identified in its Administrative Questionnaire a credit contact who may receive information that may contain material non-public information in accordance with its compliance procedures and applicable law, including federal and state securities laws.

13.17 Release of Collateral and Guarantee Obligations.

(a) The Lenders hereby irrevocably agree that the Liens granted to the Collateral Agent by the Credit Parties on any Collateral shall be automatically released (i) in full, as set forth in clause (b) below, (ii) upon the Disposition of such Collateral (including as part of or in connection with any other Disposition permitted hereunder) to any Person other than another Credit Party, in each case, to the extent such Disposition is made in compliance with the terms of this Agreement (and the Collateral Agent may rely conclusively on a certificate to that effect provided to it by the Borrower upon its reasonable request without further inquiry), (iii) upon any Collateral becoming an Excluded Equity Interest, an Excluded Asset or becoming owned by an Excluded Subsidiary other than a Subsidiary Grantor, in each case, in a transaction permitted under this Agreement, (iv) to the extent such Collateral is comprised of property leased to a Credit Party, upon termination or expiration of such lease, to the extent such property would not otherwise constitute Collateral hereunder or under any Security Document, (v) if the release of such Lien is approved, authorized or ratified in writing by the Lenders whose consent is required in accordance with Section 13.1, (vi) [reserved] and (vii) as required by the Collateral Agent to effect any Disposition of Collateral in connection with any exercise of remedies of the Collateral Agent pursuant to the Security Documents. Any such release shall not in any manner discharge, affect, or impair the Obligations or any Liens (other than those expressly being released) upon (or obligations (other than those expressly being released) of the Credit Parties in respect of) any interests retained by the Credit Parties, including the proceeds of any Disposition, all of which shall continue to constitute part of the Collateral except to the extent otherwise released in accordance with the provisions of the Credit Documents. Additionally, the Lenders hereby irrevocably agree that a Guarantor shall be released from its Guarantee upon consummation of any transaction permitted hereunder resulting in such Subsidiary ceasing to constitute a Restricted Subsidiary or becoming an Excluded Subsidiary. Any representation, warranty or covenant contained in any Credit Document with respect to such Collateral (in its capacity as Collateral) or Guarantor (in its capacity as a Guarantor) shall

no longer be deemed to be repeated. In connection with any release of Liens or a Guarantor under and in accordance with this clause (a), the Collateral Agent shall promptly take such action and execute any such documents as may be reasonably requested by the Borrower and at the Borrower's sole expense to give effect to or to evidence such release; provided, that the Collateral Agent shall not be required to execute any document or take any action that, in the Collateral Agent's opinion or the opinion of its counsel, could expose the Collateral Agent to liability or create any obligation or entail any consequence other than the release of such Lien without recourse to or representation, or warranty by the Collateral Agent. Upon request by the Collateral Agent at any time, the Majority Lenders (or such other number or percentage of Lenders as is required under the Credit Documents) will confirm in writing the Collateral Agent's authority, and will direct the Collateral Agent, to release particular types or items of the Collateral pursuant to this Section 13.17 and the Collateral Agent shall be entitled to conclusively rely, and shall be fully protected in so relying, upon the authorization of the Majority Lenders (or such other number or percentage of Lenders as is required under the Credit Documents). The Credit Parties shall provide the Collateral Agent with such certifications or documents as the Collateral Agent may reasonably request in order to demonstrate that the requested release is permitted under this Section 13.17. Any such release shall be without recourse to or representation or warranty by the Collateral Agent.

(b) Notwithstanding anything to the contrary contained herein or any other Credit Document, when Payment in Full has occurred, upon request and at the sole expense of the Borrower, the Administrative Agent and/or Collateral Agent, as applicable, shall (without notice to, or vote or consent of, any Secured Party) take such actions as shall be required to release its security interest in all Collateral, and to release all obligations under any Credit Document, whether or not on the date of such release there may be any contingent or indemnification obligations not then due and payable. Any such release of Obligations shall be deemed to be subject to the provision that such Obligations shall be reinstated if after such release any portion of any payment in respect of the Obligations shall be rescinded or must otherwise be restored or returned, including upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or any Grantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any Grantor or any substantial part of its property, or otherwise, all as though such payment had not been made.

13.18 Patriot Act. The Agents and each Lender hereby notify the Borrower that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify and record information that identifies each Credit Party, which information includes the name and address of each Credit Party and other information that will allow such Agent and such Lender to identify each Credit Party in accordance with the Patriot Act.

13.19 Payments Set Aside. To the extent that any payment by or on behalf of the Borrower is made to any Agent or any Lender, or any Agent or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by such Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender severally agrees to pay to each Agent upon demand its applicable share of any amount so recovered from or repaid by such Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the applicable Overnight Rate from time to time in effect.

13.20 Reinstatement. This Agreement shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by the Administrative Agent or any other Secured Party upon the insolvency,

bankruptcy, dissolution, liquidation or reorganization of the Borrower, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any substantial part of its property, or otherwise, all as though such payments had not been made.

13.21 Disposition of Proceeds. The Security Documents contain an assignment by the Borrower and/or the Grantors unto and in favor of the Collateral Agent for the benefit of the Secured Parties of all of the Borrower's or each Grantor's interest in and to their as-extracted collateral in the form of production and all proceeds attributable thereto which may be produced from or allocated to the Mortgaged Property. The Security Documents further provide in general for the application of such proceeds to the satisfaction of the Obligations described therein and secured thereby. Notwithstanding the assignment contained in such Security Documents, until the occurrence of an Event of Default, (a) the Agents and the Lenders agree that they will neither notify the purchaser or purchasers of such production nor take any other action to cause such proceeds to be remitted to the Agents or the Lenders, but the Lenders will instead permit such proceeds to be paid to the Borrower and its Subsidiaries and (b) the Lenders hereby authorize each Agent to take such actions as may be necessary to cause such proceeds to be paid to the Borrower and/or such Subsidiaries.

13.22 [Reserved].

13.23 Agency of the Borrower for the Other Credit Parties. Each of the other Credit Parties hereby appoints the Borrower as its agent for all purposes relevant to this Agreement and the other Credit Documents, including the giving and receipt of notices and the execution and delivery of all documents, instruments and certificates contemplated herein and therein and all modifications hereto and thereto.

13.24 Acknowledgement and Consent to Bail-In of EEA Financial Institutions.

Notwithstanding anything to the contrary in any Credit Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Credit Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Credit Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

[Signature Pages Follow.]

The parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

BORROWER: CALIFORNIA RESOURCES CORPORATION

By: /s/ Francisco Leon
Name: Francisco Leon
Title: Executive Vice President and Chief Financial Officer

ADMINISTRATIVE AGENT AND COLLATERAL AGENT: ALTER DOMUS PRODUCTS CORP. as Administrative Agent and Collateral Agent

By: /s/ Jon Kirschmeier
Name: Jon Kirschmeier
Title: Associate Counsel

[SIGNATURE PAGE TO CALIFORNIA RESOURCES CORPORATION SECOND LIEN CREDIT AGREEMENT]

LENDERS:

[*****]

[SIGNATURE PAGE TO CALIFORNIA RESOURCES CORPORATION SECOND LIEN CREDIT AGREEMENT]

EXHIBIT 10.4

Execution Version

WARRANT AGREEMENT

Dated as of

October 27, 2020

between

CALIFORNIA RESOURCES CORPORATION

and

American Stock Transfer & Trust Company, LLC,

as Warrant Agent

For 4,384,241 Warrants

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EXHIBIT A Form of Warrant Certificate

This WARRANT AGREEMENT is dated as of October 27, 2020 (this "Agreement"), among California Resources Corporation, a Delaware corporation (the "Company"), and American Stock Transfer & Trust Company, LLC, a New York limited liability trust company, as Warrant Agent (the "Warrant Agent"). All terms used but not defined in this Agreement shall have the respective meanings assigned to them in the form of Warrant Certificate attached to this Agreement as Exhibit A.

Pursuant to the Amended Debtors' Joint Plan of Reorganization under Chapter 11 of the Bankruptcy Code, as confirmed by the United States Bankruptcy Court for the Southern District of Texas on October 13, 2020 (the "Plan"), the Company hereby issues warrants (the "Warrants") to purchase initially 4,384,241 shares of Common Stock.

The Warrants shall be represented by Warrant Certificates substantially in the form attached hereto as Exhibit A.

Each Warrant entitles the Holder thereof to receive, upon exercise thereof, a number of shares of Common Stock determined by the provisions of the relevant Warrant Certificate. Each Warrant Certificate (including any Global Warrant Certificate (as defined below)) shall evidence such number of Warrants as is set forth therein, subject to adjustment pursuant to the provisions of the Warrant Certificate.

The Warrants and the shares of Common Stock issuable upon exercise of the Warrants will be transferable by Holders that are not Affiliates of the Company without registration under the Securities Act, subject to any applicable restrictions in the relevant Warrant Certificate and compliance with applicable securities laws. The Company desires the Warrant Agent to act on behalf of the Company in connection with the registration, transfer, exchange, exercise and cancellation of the Warrants as provided in this Agreement and the Warrant Certificates, and the Warrant Agent is willing to so act.

Each party agrees as follows for the benefit of the other party and for the equal and ratable benefit of the Holders of the Warrants:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions.

"Affiliate" means, with respect to any Person, any Person directly or indirectly controlling, controlled by or under common control with, such other Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") when used with respect to any Person, means the possession, directly or indirectly, of the power to cause the direction of management and/or policies of such Person, whether through the ownership of voting securities by contract or otherwise.

"Agent Members" means the securities brokers and dealers, banks and trust companies, clearing organizations and other similar organizations that are participants in the Depositary's system.

"Bankruptcy Code" means title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq*.

"Board of Directors" means the board of directors of the Company.

"Business Day" means any day except Saturday, Sunday and any day on which banking institutions in the State of New York are authorized or required by law or other governmental actions to close.

"Capital Stock" means (A) with respect to any Person that is a corporation or company, any and all shares, interests, participations or other equivalents (however designated) of capital or capital stock of such Person and (B) with respect to any Person that is not a corporation or company, any and all partnership or other equity interests in such Person.

"Charter" means, with respect to any Person, its certificate or articles of incorporation, articles of association, or similar organizational document.

"Common Stock" means the common stock, $0.01 par value per share, of the Company; *provided* that after the occurrence of a Reorganization, the term "Common Stock" shall refer to Exchange Property, as the context requires.

"Custodian" means American Stock Transfer & Trust Company, LLC, as custodian for the Depositary, or any successor thereto.

"Definitive Warrant" means a Warrant represented by a Definitive Warrant Certificate.

"Definitive Warrant Certificate" means a Warrant Certificate in definitive form that is not deposited with the Depositary or with the Custodian.

"Depositary" means The Depository Trust Company, its nominees and their respective successors.

"Effective Date" means the Effective Date of the Plan.

"Exchange" means the principal U.S. national or regional securities exchange on which the Common Stock is then listed or, if the Common Stock is not then listed on a U.S. national or regional securities exchange, the principal other market on which the Common Stock is then traded.

"Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

"Exchange Property" means, with respect to any Reorganization, the cash, securities or other property that the Common Stock is converted into, is exchanged for or becomes the right to receive, in each case, in such Reorganization.

"Exercise Date" means (i) in the case of the exercise of Global Warrants, the date on which all actions required for the such exercise, including, if applicable, payment of the Exercise Price therefor, in accordance with the practices and procedures of the Depositary are taken, and (ii) in the case of the exercise of Definitive Warrants, the date on which the Definitive Warrant Certificate representing such Warrants is surrendered to the Warrant Agent, together with a duly completed Exercise Notice, and if applicable, payment of the Exercise Price therefor (unless such surrender, delivery and payment (if applicable) occur after 5:00 p.m. New York City time on a Business Day or on a date that is not a Business Day, in which event the Exercise Date shall be the next following Business Day).

"Exercise Notice" means a notice in the form attached as Annex B to the Warrant Certificate delivered by the Holder to the Warrant Agent to exercise the Warrant.

"Exercise Period" means the period commencing upon the execution and delivery of this Agreement by the Company on the date hereof and shall continue up to, and including, the Expiration Time.

"Exercise Price" means the exercise price of the Warrants per Share, as initially set forth in Section 3.01(b) and as may be adjusted in accordance with Article IV.

"Expiration Time" means 5:00 p.m. New York City time on the fourth anniversary of the Effective Date or, if such day is not a Business Day, the next succeeding day that is a Business Day.

"Fair Market Value" means:

(i) with respect to the shares of the Common Stock:

(w) if the shares are listed on a Principal Exchange on the day as of which Fair Market Value is being determined, the daily volume-weighted average price of such stock as reported in composite transactions for United States exchanges and quotation systems for such Exercise Date, as displayed under the heading "Bloomberg VWAP" on the applicable Bloomberg page (or if Bloomberg is no longer reporting such price information, such other service reporting similar information as shall be selected by the Company) for such shares in respect of the period from the scheduled open of trading until the scheduled close of trading of the primary trading session on such Exercise Date; or

(x) if the shares are not listed on a Principal Exchange on the day as of which Fair Market Value is being determined, but are listed on any other Exchange, the daily volume-weighted average price of such stock on such Exchange, as reported by such Exchange, or, if not so reported, a service reporting such information as shall be selected by the Company; or

(y) if the shares are not traded on an Exchange on the day as of which Fair Market Value is being determined but are traded on an Over-the-Counter Market, the average of the high bid price and the low ask price for the shares on such day in such Over-the-Counter Market, as reported by such Over-the-Counter Market or, if not so reported, a service reporting such information as shall be selected by the Company; or

(z) in the case of securities not covered by clauses (w) through (y) above, the Fair Market Value of such securities shall be determined by the Valuation Bank, using one or more valuation methods that the Valuation Bank in its best professional judgment determines to be most appropriate, assuming such securities are fully distributed and are to be sold in an arm's-length transaction and there was no compulsion on the part of any party to such sale to buy or sell and taking into account all factors deemed relevant by the Valuation Bank;

provided that, with respect to any determination of Fair Market Value pursuant to clauses (w) through (y) above, the Company, in its good faith determination, shall make appropriate adjustments to the daily volume-weighted average price, or bid and ask stock price, to account for any stock split, reverse stock split, dividend, distribution or other event requiring any adjustments to the Exercise Price or the Warrant Share Number, so as to provide for a consistent

determination of Fair Market Value over any period of Trading Days as may be specified in this Agreement;

(ii) in the case of cash, the amount thereof; and

(iii) in the case of other property, the Fair Market Value of such property shall be determined in good faith and in a commercially reasonable manner by the Board of Directors or a committee of members of the Board of Directors to whom the Board of Directors expressly delegates authority to make determinations of Fair Market Value hereunder.

"Global Warrant" means a Warrant represented by a Global Warrant Certificate.

"Global Warrant Certificate" means a global Warrant Certificate in definitive form, with the global legend set forth in the form of Warrant Certificate attached as Exhibit A hereto, which is deposited with the Depositary or with the Custodian.

"Holder" means a registered owner of Warrants as set forth in the Registry.

"Market Disruption Event" means (i) a failure by the Exchange to open for trading during its regular trading session or (ii) the occurrence or existence prior to 1:00 p.m. New York City time on any day on which the Exchange is open for trading for more than one half-hour period in the aggregate during regular trading hours of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the Exchange or otherwise) in the Common Stock or in any options contracts or futures contracts relating to the Common Stock.

"Officer" means the Chairman of the Board, President, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, General Counsel, Treasurer or Secretary of the Company, any Assistant Treasurer or any Assistant Secretary of the Company, and any Executive or Senior Vice President or any Vice President (whether or not designated by a number or numbers or word or words added before or after the title "Vice President") of the Company.

"Officer's Certificate" means a certificate signed by any Officer.

"Opinion of Counsel" means a written opinion from legal counsel who is acceptable to the Warrant Agent, in its reasonable discretion. Such counsel may be an employee of or counsel to the Company or the Warrant Agent.

"Over-the-Counter Market" means OTCQX or OTCQB of OTC Markets and the Over-the-Counter Bulletin Board of Financial Industry Regulatory Authority (or any of their respective successors).

"Person" means an individual, corporation, partnership, joint venture, association, joint-stock company, limited liability company, limited liability partnership, trust, unincorporated organization, or government or any agency or political subdivision thereof or any other entity.

"Principal Exchange" means each of the following Exchanges: The New York Stock Exchange, NYSE American, The NASDAQ Global Market and The NASDAQ Global Select Market (or any of their respective successors).

"Reorganization" means any consolidation, merger, statutory share exchange, business combination or similar transaction with a Person, any sale, lease or other transfer to a Person of substantially all of the consolidated assets of the Company and its Subsidiaries substantially as an entirety, or any recapitalization, reclassification or transaction that results in a change of the Common Stock (other than as described in Section 4.01(a)), in each case, in which the Common Stock is converted into, is exchanged for or becomes the right to receive Exchange Property.

"Securities Act" means the U.S. Securities Act of 1933, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

"Shares" means fully paid and nonassessable shares of Common Stock issuable to a Holder upon exercise of a Warrant.

"Subsidiary" means, with respect to any Person, any corporation, partnership, joint venture, limited liability company or other entity (x) of which such Person or a subsidiary of such Person is a general partner or (y) of which a majority of the voting securities or other voting interests, or a majority of the securities or other interests of which having by their terms ordinary voting power to elect a majority of the board of directors or persons performing similar functions with respect to such entity, is directly or indirectly owned by such Person and/or one or more subsidiaries thereof.

"Trading Day" means a day on which (i) no Market Disruption Event occurs and (ii) trading in the Common Stock occurs on the Exchange; *provided* that if the Common Stock is not so listed or traded, "Trading Day" means a Business Day.

"Transfer Agent" means American Stock Transfer & Trust Company, LLC, as transfer agent of the Company, and any successor transfer agent.

"Unit of Exchange Property" means, with respect to any Reorganization, the type and amount of Exchange Property that the holder of one share of Common Stock is entitled to receive in such Reorganization.

"Valuation Bank" means an independent, nationally recognized investment bank selected by the Company.

"Warrant Certificate" means any registered certificate (including a Global Warrant Certificate) issued by the Company and authenticated by the Warrant Agent under this Agreement evidencing Warrants, in the form attached as Exhibit A hereto.

"Warrant Share Number" means the number of Shares issuable upon exercise of one Warrant, as adjusted from time to time pursuant to the terms of this Agreement; *provided* that following a Reorganization, Warrant Shares Number shall mean the number of Units of Exchange Property with respect to such Reorganization issuable upon such exercise.

Section 1.02. Other Definitions.

Term	Defined in Section
"Agreement"	Recitals
"Company"	Recitals

Term	Defined in Section
"Customer Identification Program"	6.10
"Loss" or "Losses"	5.05(b)
"Net Settlement"	3.03(a)
"NY UCC"	2.06
"Plan"	Recitals
"Physical Settlement"	3.03(a)
"Registry"	2.03(a)
"Spin-Off"	4.01(d)
"Valuation Period"	4.01(d)
"Warrant"	Recitals
"Warrant Agent"	Recitals
"Warrant Agent Insolvency Event"	5.06(c)

Section 1.03 Rules of Construction.

Unless the text otherwise requires:

(a) a defined term has the meaning assigned to it;

(b) an accounting term not otherwise defined has the meaning assigned to it in accordance with United States generally accepted accounting principles as in effect on the date hereof;

(c) "or" is not exclusive;

(d) "including" means including, without limitation; and

(e) words in the singular include the plural and words in the plural include the singular.

ARTICLE II

WARRANTS

Section 2.01 Form.

(a) Global Warrants. Except as provided in Section 2.04 or 2.05, Warrants, including Warrants issued upon any transfer or exchange thereof, shall be issued in the form of one or more Global Warrant Certificates, which shall be deposited on behalf of the Company with the Depositary (or, at the direction of the Depositary, with the Custodian or such other custodian as the Depositary may direct), and registered in the name of the Depositary or a nominee of the Depositary, duly executed by the Company and countersigned by the Warrant Agent as hereinafter provided.

Except as provided in Section 2.04 or 2.05, owners of beneficial interests in Global Warrants will not be entitled to receive physical delivery of Definitive Warrants.

(b) Book-Entry Provisions. This Section 2.01(b) shall apply only to a Global Warrant deposited with, at the direction of or on behalf of the Depositary.

(i) The Company shall execute and the Warrant Agent shall, in accordance with Section 2.02, countersign, either by manual or facsimile or other electronically transmitted signature, and deliver one or more Global Warrants that (A) shall be registered in the name of the Depositary or the nominee of the Depositary and (B) shall be delivered by the Warrant Agent to the Depositary or pursuant to the Depositary's instructions or held by the Custodian. Each Global Warrant shall be dated the date of its countersignature by the Warrant Agent.

(ii) Agent Members shall have no rights under this Agreement with respect to any Global Warrant held on their behalf by the Depositary or by the Warrant Agent as the custodian of the Depositary or under such Global Warrant except to the extent set forth herein or in a Warrant Certificate, and the Depositary may be treated by the Company, the Warrant Agent and any agent of the Company or the Warrant Agent as the absolute owner of such Global Warrant for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall (A) prevent the Company, the Warrant Agent or any agent of the Company or the Warrant Agent from giving effect to any written certification, proxy or other authorization furnished by the Depositary or (B) impair, as between the Depositary and the Agent Members, the operation of customary practices of the Depositary governing the exercise of the rights of a holder of a beneficial interest in any Global Warrant. The rights of beneficial owners in a Global Warrant shall be exercised through the Depositary subject to the applicable procedures of the Depositary, except to the extent set forth herein or in a Warrant Certificate.

(c) Warrant Certificates. Warrant Certificates shall be in substantially the form attached as Exhibit A hereto and shall be typed, printed, lithographed or engraved or produced by any combination of such methods or produced in any other manner permitted by the rules of any securities exchange on which the Warrants may be listed, all as determined by the Officer or Officers executing such Warrant Certificates, as evidenced by their execution thereof. Any Warrant Certificate shall have such insertions as are appropriate or required by this Agreement and may have such letters, numbers or other marks of identification and such legends or endorsements, stamped, printed, lithographed or engraved thereon, (i) as the Company may deem appropriate and as are not inconsistent with the provisions of this Agreement (and which letters, numbers, marks of identification, legends or endorsements do not affect the rights, duties, immunities or obligations of the Warrant Agent), (ii) as may be required to comply with this Agreement, any applicable law or any rule of any securities exchange on which the Warrants may be listed, or (iii) as may be necessary to conform to customary usage.

Section 2.02. Execution and Countersignature.

(a) Execution by the Company. At least one Officer shall sign the Warrant Certificates for the Company by manual or facsimile or other electronically transmitted signature. If an Officer whose signature is on a Warrant Certificate no longer holds that office at the time the Warrant Agent countersigns the Warrant Certificate, the Warrants evidenced by such Warrant Certificate shall be valid nevertheless.

(b) Countersignature by the Warrant Agent. The Warrant Agent shall initially countersign, either by manual or facsimile or other electronically transmitted signature, and deliver Warrant Certificates evidencing, in the aggregate, 4,384,241 Warrants. Each Warrant Certificate shall be dated the date of its countersignature by the Warrant Agent.

(c) Subsequent Issue of Warrant Certificates. At any time and from time to time after the execution of this Agreement, the Warrant Agent shall upon receipt of a written order of the Company signed by an Officer countersign, by either manual or facsimile or other electronically transmitted

signature, and issue a Warrant Certificate evidencing the number of Warrants specified in such order; *provided* that the Warrant Agent shall be entitled to receive, in connection with such countersignature of Warrants described in this Section 2.02(c), an Officer's Certificate and an Opinion of Counsel of the Company to the effect that issuance and execution of such Warrants is authorized or permitted by this Agreement and the organizational documents of the Company. Such written order of the Company shall specify the number of Warrants to be evidenced on the Warrant Certificate to be countersigned, the date on which such Warrant Certificate is to be countersigned and the number of Warrants then authorized. Each Warrant Certificate shall be dated the date of its countersignature by the Warrant Agent.

(d) Validity of Warrant Certificates. The Warrants evidenced by a Warrant Certificate shall not be valid until an authorized signatory of the Warrant Agent countersigns the Warrant Certificate either manually or by facsimile or other electronically transmitted signature. Such signature shall be solely for the purpose of authenticating the Warrant Certificate and shall be conclusive evidence that the Warrant Certificate so countersigned has been duly authenticated and issued under this Agreement. Countersigned Warrant Certificates may be delivered, notwithstanding the fact that the persons or any one of them who countersigned the Warrants shall have ceased to be proper signatories prior to the delivery of such Warrants or were not proper signatories on the date of this Agreement.

Section 2.03. Registry.

(a) Registration Generally. The Warrants shall be issued in registered form only. The Warrant Agent shall keep a registry (the "Registry") of the Warrant Certificates and of their transfer and exchange. The Registry shall show the names and addresses of the respective Holders and the date and number of Warrants evidenced on the face of each of the Warrant Certificates, and record all exchanges, exercise, cancellation and transfers of the Warrants. Any Warrant Certificate may be surrendered for transfer, cancellation, exchange or exercise, in accordance with its terms, at the office of the Warrant Agent designated for such purpose. The Company and the Warrant Agent may deem and treat any Person in whose name a Warrant Certificate is registered in the Registry as the absolute owner of such Warrant Certificate for all purposes whatsoever and neither the Company nor the Warrant Agent shall be affected by notice to the contrary.

(b) Registration of Global Warrants. The Holder of any Global Warrant will be the Depositary or a nominee of the Depositary in whose name such Global Warrant is registered. The Warrant holdings of Agent Members will be recorded on the books of the Depositary. The beneficial interests in any Global Warrant held by customers of Agent Members will be reflected on the books and records of such Agent Members, and neither the Warrant Agent, the Company nor the Depositary shall be responsible for recording such beneficial interests or their exchange exercise, cancellation of transfer.

Section 2.04. Transfer and Exchange.

(a) Generally. Subject to compliance with applicable securities laws and the requirements set forth in this Agreement, each Warrant Certificate and all rights thereunder are transferable, in whole or in part, upon the books of the Company (or an agent duly appointed by the Company) by the Holder thereof in person or by duly authorized attorney, and one or more new Warrant Certificates shall be made and delivered by the Company, of the same tenor and date as the applicable Warrant Certificate so delivered but registered in the name of one or more transferees, upon surrender of such Warrant Certificate, duly endorsed, to the Warrant Agent. All expenses and other charges payable in connection with the preparation, execution and delivery of the new Warrant Certificate pursuant to this Section 2.04(a) shall be paid by the Company, except the Holder of the old Warrant Certificate surrendered for transfer shall pay to the Company a sum sufficient to cover any documentary, stamp or

similar issue or transfer tax due because the name of the Holder of the new Warrant Certificate issued upon such transfer is different from the name of the Holder of the old Warrant Certificate surrendered for transfer.

(b) Transfer and Exchange of Global Warrants.

(i) In the case of a Warrant Certificate that is a Global Warrant, then so long as the Global Warrant is registered in the name of the Depositary, (a) the holders of beneficial interests in the Warrants evidenced thereby shall have no rights under the Warrant Certificate with respect to such Global Warrant held on their behalf by the Depositary or the Custodian, and (b) the Depositary may be treated by the Company, the Warrant Agent and any agent of the Company or the Warrant Agent as the absolute owner of such Global Warrant for all purposes whatsoever, except, in each case, to the extent set forth herein. Accordingly, any such owner's beneficial interest in the Global Warrant will be shown only on, and the transfer of such interest shall be effected only through, records maintained by the Depositary or the Agent Members, and neither the Company nor the Warrant Agent shall have any responsibility with respect to such records maintained by the Depositary or the Agent Members. Notwithstanding the foregoing, nothing herein shall (i) prevent the Company, the Warrant Agent or any agent of the Company or the Warrant Agent from giving effect to any written certification, proxy or other authorization furnished by the Depositary or (ii) impair, as between the Depositary and the Agent Members, the operation of customary practices governing the exercise of the rights of a holder of a beneficial interest in any Warrant. Except as otherwise may be provided in this Agreement, the rights of beneficial owners in a Global Warrant shall be exercised through the Depositary subject to the applicable procedures of the Depositary. Any holder of any Global Warrant shall, by acceptance of such Global Warrant, agree that (x) ownership of a beneficial interest in the Warrants represented thereby shall be required to be reflected in book-entry form and (y) the transfer and exchange of Global Warrants or beneficial interests therein shall be effected through the book-entry system maintained by the Depositary, in accordance with this Agreement and the Warrant Certificates and the procedures of the Depositary therefor.

(ii) Notwithstanding any other provisions of this Agreement (other than the provisions set forth in Section 2.05), a Global Warrant may only be transferred as a whole, and not in part, and only by (A) the Depositary, to a nominee of the Depositary, (B) a nominee of the Depositary, to the Depositary or another nominee of the Depositary, or (C) the Depositary or any such nominee to a successor Depositary or its nominee.

(iii) In the event that a Global Warrant is exchanged for Definitive Warrants pursuant to Section 2.05, such Warrants may be exchanged only in accordance with the provisions of this Section 2.04 and Section 2.05 and such other procedures as may from time to time be adopted by the Company that are not inconsistent with the terms of this Agreement or of any Warrant Certificate.

(c) Cancellation or Adjustment of Global Warrant. At such time as all beneficial interests in a Global Warrant have been exchanged for Definitive Warrants, repurchased, exercised or canceled, such Global Warrant shall be returned by the Depositary for cancellation or retained and canceled by the Warrant Agent. At any time prior to such cancellation, if any beneficial interest in a Global Warrant is exchanged (including, without limitation, for Definitive Warrants), repurchased, exercised or canceled, the number of Warrants represented by such Global Warrant shall be reduced and the Warrant Agent shall make an adjustment on its books and records to reflect such reduction; *provided* that, in the case of an adjustment on account of an exercise of Warrants, the Warrant Agent shall have no

duty or obligation to make such adjustment until it has received notice from the Holder of the amount thereof.

(d) Obligations with Respect to Transfers and Exchanges of Warrants.

(i) To permit registrations of transfers and exchanges, the Company shall execute and the Warrant Agent shall, upon the relevant Holder's delivery to the Warrant Agent of the applicable Warrant Certificate to be transferred in whole or in part and satisfaction of the other requirements for such transfer as set forth herein, countersign, either by manual or facsimile or other electronically transmitted signature, new Global Warrants and Definitive Warrants as required pursuant to the provisions of Section 2.02 and this Section 2.04. In addition, a transferor of a Global Warrant or a Definitive Warrant shall deliver to the Warrant Agent a written instruction of transfer in the form attached to the Warrant Certificate as Annex C, duly executed by the Holder thereof or by its attorney, duly authorized in writing. Additionally, prior to registration of any transfer or exchange of a Warrant, the requirements for the Warrant issued upon such transfer or exchange to be issued in a name other than the Holder shall be met. Such requirements include, *inter alia*, a signature guarantee from an eligible guarantor institution participating in a signature guarantee program approved by the Securities Transfer Association (at a guarantee level reasonably acceptable to the Company's transfer agent), and any other reasonable evidence of authority that may be required by the Warrant Agent. Upon satisfaction of the conditions in this clause (i), the Warrant Agent shall, in accordance with such instructions, register the transfer or exchange of the relevant Global Warrant or Definitive Warrant.

(ii) No service charge shall be made to a Holder for any registration of transfer or exchange, but the Company may require payment from a Holder of a sum sufficient to cover any transfer tax, assessments or similar governmental charge payable in connection therewith as set forth in Section 2.10. The Warrant Agent shall have no duty or obligation pursuant to any Section of this Agreement requiring the payment of taxes, assessments, and/or governmental charges, unless and until the Warrant Agent is satisfied that all such taxes, assessments, and/or governmental charges have been paid.

(iii) Each Warrant Certificate shall be exchangeable, upon the surrender thereof by the Holder to the Warrant Agent, for a new Warrant Certificate or Warrant Certificates of like tenor and representing the same aggregate number of Warrants.

(iv) All Warrants issued upon any transfer or exchange pursuant to the terms of this Agreement shall be the valid obligations of the Company, entitled to the same benefits under this Agreement as the Warrants surrendered upon such transfer or exchange.

(e) No Obligation of the Warrant Agent.

(i) The Warrant Agent shall have no responsibility or obligation to any owner of a beneficial interest in a Global Warrant, any Agent Member or other Person with respect to the accuracy of the records of the Depositary or its nominee or of any participant or member thereof, with respect to any beneficial ownership interest in the Warrants represented by such Global Warrant or with respect to the delivery to any Agent Member, beneficial owner or other Person (other than the Depositary) of any notice or the payment of any amount, under or with respect to such Warrants. All notices and communications to be given to the Holders and all payments to be made to Holders under the Warrants shall be given or made only to or upon the order of the Holders (which shall be the Depositary or its nominee in the case of a Global

Warrant). Except as set forth herein, the rights of owners of beneficial interests in any Global Warrant shall be exercised only through the Depositary subject to the applicable rules and procedures of the Depositary. The Warrant Agent may rely and shall be fully protected in relying upon information furnished by the Depositary with respect to its members, participants and any beneficial owners.

(ii) The Warrant Agent shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Agreement or under applicable law with respect to any transfer of any interest in any Warrant (including any transfer between or among the Agent Members or beneficial owners in any Global Warrant) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by, the terms of this Agreement and the Warrant Certificate, and to examine the same to determine substantial compliance as to form with the express requirements hereof and thereof.

Section 2.05. Definitive Warrants.

(a) Issuance of Definitive Warrants. Beneficial interests in a Global Warrant deposited with the Depositary or with the Custodian pursuant to Section 2.01 shall be transferred to each beneficial owner thereof in the form of Definitive Warrants evidencing a number of Warrants equivalent to such owner's beneficial interest in such Global Warrant, in exchange for such Global Warrant, only if such transfer complies with Section 2.04 and (i) the Depositary notifies the Company in writing that it is unwilling or unable to continue as Depositary for such beneficial interests represented by such Global Warrant or if at any time the Depositary ceases to be a "clearing agency" registered under the Exchange Act and, in each such case, a successor Depositary is not appointed by the Company within 90 days of such notice, or (ii) the Company, in its sole reasonable discretion, notifies the Warrant Agent in writing that it elects to cause the issuance of Definitive Warrants under this Agreement.

(b) Surrender of Global Warrants and Exchange for Definitive Warrants. A Global Warrant shall be exchanged for Definitive Warrants, and Definitive Warrants may be transferred or exchanged for a beneficial interest in a Global Warrant, only at such times and in the manner specified in this Agreement. The holder of a Global Warrant may grant proxies and otherwise authorize any person, including Agent Members and persons that may hold beneficial interests in such Global Warrant through Agent Members, to take any action that a Holder is entitled to take under a Warrant Certificate or this Agreement. If beneficial ownership interests in a Global Warrant are to be exchanged for Definitive Warrants pursuant to this Section 2.05, appropriate adjustment shall be made to the Global Warrant as provided in Section 2.04(c), and the Warrant Agent shall countersign, either by manual or facsimile or other electronically transmitted signature, and deliver to each beneficial owner of such interests in the name of such beneficial owner, Definitive Warrants evidencing a number of Warrants equivalent to such beneficial owner's beneficial interest in the Global Warrant. The Warrant Agent shall register such exchange in the Registry, and if the entire Global Warrant has been exchanged for Definitive Warrants the surrendered Global Warrant shall be canceled by the Warrant Agent.

(c) Validity of Definitive Warrants. All Definitive Warrants issued upon exchange pursuant to this Section 2.05 shall be the valid obligations of the Company, evidencing the same obligations of the Company and entitled to the same benefits under this Agreement as the Global Warrant, or portion thereof, surrendered upon such exchange.

(d) Definitive Warrant Certificates. In the event of the occurrence of any of the events specified in Section 2.05(a), the Company will promptly make available to the Warrant Agent a reasonable supply of Definitive Warrants in definitive, fully registered form.

(e) No Liability. Neither the Company nor the Warrant Agent will be liable or responsible for any registration or transfer of any Warrants that are registered or to be registered in the name of a fiduciary or the nominee of a fiduciary.

Section 2.06. Replacement Certificates.

If a mutilated Warrant Certificate is surrendered to the Warrant Agent or if the Holder of a Warrant Certificate provides evidence reasonably satisfactory to the Company and the Warrant Agent that the Warrant Certificate has been lost, destroyed or wrongfully taken, the Company shall issue and the Warrant Agent shall countersign, by either manual or facsimile or other electronically transmitted signature, a replacement Warrant Certificate of like tenor and representing an equivalent number of Warrants, if the reasonable requirements of the Warrant Agent and Section 8-405 of the Uniform Commercial Code as in effect in the State of New York (the "NY UCC") are met. In the case of the Warrant Certificate that is lost, destroyed or wrongfully taken, if required by the Warrant Agent or the Company, such Holder shall furnish an indemnity sufficient in the judgment of the Company and the Warrant Agent to protect the Company and the Warrant Agent from any loss that either of them may suffer if a Warrant Certificate is replaced. The Company and the Warrant Agent may charge the Holder for their reasonable, out-of-pocket expenses in replacing a Warrant Certificate prior to issuing and delivering a replacement Warrant Certificate to such Holder. Every replacement Warrant Certificate (i) shall evidence an additional obligation of the Company and (ii) shall be entitled to the same benefits of this Agreement equally and proportionately with any and all other Warrant Certificates. If a Warrant Certificate is replaced pursuant to this Section 2.06, the Warrants evidenced thereby cease to be outstanding, unless the Warrant Agent and the Company receive proof satisfactory to them that the replaced Warrant Certificate is held by a protected purchaser (as defined in Section 8-303 of the NY UCC).

Section 2.07. Outstanding Warrants.

Subject to Section 6.02, the Warrants outstanding at any time are all Warrants evidenced on all Warrant Certificates authenticated by the Warrant Agent, as the same, in the case of Global Warrants, may be adjusted for exercise as provided in Section 2.04(c), except for those canceled by it and those delivered to it for cancellation.

Section 2.08 Cancellation.

The Warrant Agent and no one else shall cancel and destroy all Warrant Certificates surrendered for transfer, exchange, replacement, exercise or cancellation and deliver a certificate of such destruction to the Company unless the Company directs the Warrant Agent to deliver any canceled Warrant Certificates to the Company. The Company may not issue new Warrant Certificates to replace Warrant Certificates to the extent they evidence Warrants that have been exercised.

Section 2.09. CUSIP Numbers.

In issuing the Warrants, the Company may use CUSIP numbers (if then generally in use) and, if so, the Warrant Agent shall use CUSIP numbers in notices as a convenience to Holders; *provided* that any such notice may state that no representation is made as to the correctness of such CUSIP numbers

either as printed on the Warrant Certificates or as contained in any notice and that reliance may be placed only on the other identification numbers printed on the Warrant Certificates.

Section 2.10. Charges, Taxes and Expenses; Withholding and Reporting Requirements.

(a) No Charge. Issuance of Shares in certificated or book-entry form to a Holder upon the exercise of Warrants evidenced by any Warrant Certificate shall be made without charge to the Holder for any documentary, stamp or similar issue or transfer taxes (other than any such taxes due because the Holder requests such Shares to be issued in a name other than the Holder's name) or other incidental expense in respect of the issuance of such Shares, all of which such taxes, if any, and expenses shall be paid by the Company. The Holder shall pay to the Company a sum sufficient to cover any documentary, stamp or similar issue or transfer taxes due because the Holder requests Shares to be issued in a name other than the Holder's name, and the Company may refuse to deliver any such Shares until it receives a sum sufficient to pay such taxes.

(b) Withholding and Reporting. The Company shall comply with all applicable tax withholding and reporting requirements imposed by any governmental unit, and all distributions, including deemed distributions (or other situations requiring withholding under applicable law), pursuant to the Warrants will be subject to applicable withholding and reporting requirements. Notwithstanding any provision to the contrary, the Company will be authorized to take any actions that may be necessary or appropriate to comply with such withholding and reporting requirements, which may include (but are not limited to) (i) applying a portion of any cash distribution or consideration to be made under the Warrants to pay applicable withholding taxes, (ii) liquidating a portion of any non-cash distribution or consideration to be made or paid (including Common Stock issuable upon exercise of the Warrants) under the Warrants to generate sufficient funds to pay applicable withholding taxes, and/or (iii) establishing any other mechanisms the Company believes are reasonable and appropriate, including requiring Holders to submit appropriate tax and withholding certifications (such as IRS Forms W-9 and the appropriate IRS Forms W-8, as applicable) or requiring Holders to promptly pay the withholding tax amount to the Company in cash as a condition of receiving the benefit of any adjustment pursuant to Article IV.

Section 2.11. Proxies.

The Holder of a Global Warrant may grant proxies and otherwise authorize any Person, including Agent Members and Persons that may hold beneficial interests through Agent Members, to take any action that a Holder is entitled to take under this Agreement or the Warrants in accordance with the Depositary's and the relevant Agent Member's customary procedures.

ARTICLE III

EXERCISE TERMS

Section 3.01. Exercise.

(a) Exercise Period. The Warrants may be exercised only during the period commencing on the Effective Date and expiring at the Expiration Time. At the Expiration Time, the Warrants will become void and without further legal effect, and all rights thereunder and all rights in respect thereof under this Agreement shall cease as of such time.

(b) Exercise Price. The Exercise Price for each Warrant shall initially be $36.00, subject to adjustment as provided herein.

The Exercise Price in connection with Physical Settlement of the exercise of a Definitive Warrant may be paid either by wire transfer of immediately available funds to an account designated by the Company or by certified or official bank check or bank cashier's check payable to the order of the Warrant Agent. The Exercise Price in connection with Physical Settlement of the exercise of a Global Warrant shall be paid in accordance with the practice and procedures of the Depositary and its Agent Members.

All funds received by the Warrant Agent under this Agreement that are to be distributed or applied by the Warrant Agent in the performance of the services hereunder (the "Funds") shall be held by the Warrant Agent for the benefit of the Company, as agent for the Company and deposited in one or more bank accounts to be maintained by the Warrant Agent for the benefit of the Company, in its name as agent for the Company. Until paid pursuant to the terms of this Agreement, the Warrant Agent will hold the Funds through such accounts in: deposit accounts of commercial banks with Tier 1 capital exceeding $1 billion or with an average rating above investment grade by S&P (LT Local Issuer Credit Rating), Moody's (Long Term Rating) and Fitch Ratings, Inc. (LT Issuer Default Rating) (each as reported by Bloomberg Finance L.P.). The Warrant Agent shall have no responsibility or liability for any diminution of the Funds that may result from any deposit made by the Warrant Agent in accordance with this paragraph, including any losses resulting from a default by any bank, financial institution or other third party. The Warrant Agent may from time to time receive interest, dividends or other earnings in connection with such deposits. The Warrant Agent shall not be obligated to pay such interest, dividends or earnings to the Company.

The Warrant Agent shall forward funds received for Warrant exercises as promptly as practicable after receipt thereof and in any event not later than the fifth business day of the following month by bank wire transfer to an account designated by the Company.

(c) Warrant Share Number. The Warrant Share Number shall initially be one, subject to adjustment as provided in this Agreement.

Section 3.02. Manner of Exercise.

(a) Global Warrants. In the case of Warrants represented by a Global Warrant Certificate, the Warrants shall be exercisable, at any time or from time to time during the Exercise Period, in accordance with the practices and procedures of the Depositary and the relevant Agent Member.

Following any such exercise, the number of Warrants represented by the applicable Global Warrant Certificate shall be reduced in accordance with the procedures of the Depositary, whether or not an adjustment is made to Annex A to such Global Warrant Certificate, so that the number of Warrants represented thereby will be equal to the number of Warrants theretofore represented by such Global Warrant Certificate less the number of Warrants then exercised.

An Agent Member, and any Person authorized by such Agent Member, may, without the consent of the Warrant Agent or any other Person, on its own behalf and on behalf of the owner of a beneficial interest in the Global Warrant for which it is acting, enforce this Agreement and the Global Warrant, including its or such beneficial owner's right to exercise and receive beneficial ownership of Shares issuable upon exercise of the Global Warrant, and may institute and maintain any suit, action or proceeding against the Company to enforce its rights in respect thereof.

(b) Definitive Warrants. In the case of Warrants represented by a Definitive Warrant Certificate, the Warrants shall be exercisable, at any time or from time to time during the Exercise Period, by

(i) the surrender of the applicable Warrant Certificate to the Warrant Agent and the delivery to the Warrant Agent of the Exercise Notice annexed hereto, duly completed and executed (or to the Company or to such other office or agency of the Company in the United States as the Company may designate by notice in writing to the Warrant Agent pursuant to Section 6.03 and the Warrant Agent shall cause such notice to be sent or communicated to the Holders and owners of a beneficial interest in a Global Warrant pursuant to Section 6.03), together with payment for transfer taxes as set forth in Section 2.10 and

(ii) if Physical Settlement is validly elected in accordance with Section 3.03(b), paying to the Company the applicable aggregate Exercise Price.

Whenever some, but not all, of the Warrants represented by such Definitive Warrant Certificate are exercised, the exercising Holder shall be entitled, at the request of such Holder, to receive from the Company within a reasonable time, and in any event not exceeding five (5) Business Days, a new Definitive Warrant Certificate in substantially identical form representing the number of Warrants equal to the number of Warrants theretofore represented by the surrendered Definitive Warrant Certificate less the number of Warrants then exercised.

(c) Warrants Exercised in Full. If any Warrant Certificate shall have been exercised in full, the Warrant Agent shall promptly cancel such certificate following its receipt thereof from the Holder or the Depositary, as applicable.

(d) Transfer Books. The Company will not close its transfer books in respect of the Warrants during the Company's regular and customary business hours in any manner that interferes with the timely transfer and exercise of the Warrants.

Section 3.03. Settlement.

(a) Manner of Settlement. A Holder that exercises a Warrant may elect to either (i) pay the applicable Exercise Price in respect of such Warrant to the Company ("Physical Settlement") or (ii) net settle such Warrant in accordance with Section 3.03(c) in lieu of paying the Exercise Price ("Net Settlement"). In the case of Global Warrants, Net Settlement shall be elected in accordance with the practices and procedures of the Depositary. In the case of Definitive Warrants, Net Settlement shall be elected by marking the applicable box in the relevant Exercise Notice.

(b) Physical Settlement. In the event Physical Settlement is elected in respect of the exercise of Warrants, the Company shall issue to the Holder, in accordance with Section 3.04 below, a number of Shares for each Warrant so exercised equal to the Warrant Share Number as of the Exercise Date.

(c) Net Settlement. In the event that Net Settlement is elected in respect of the exercise of Warrants, the Company shall issue to the Holder, in accordance with Section 3.04 below, a number of Shares for each Warrant so exercised equal to the greater of (x) zero and (y) "X" as determined pursuant to the following formula:

$$X = Y \times \frac{(A - B)}{A}$$

Where:

Y = the Warrant Share Number (as of the Exercise Date);

A = the Fair Market Value of one share of the Common Stock (as of the Exercise Date); and

B = the Exercise Price (as of the Exercise Date).

The Company shall make all calculations under this Section 3.03, and the Warrant Agent shall have no duty or obligation to verify or confirm the Company's calculations.

Section 3.04. Issuance of Shares; Authorization.

(a) Global Warrants. Shares issuable upon exercise of Global Warrants shall be issued and delivered in accordance with the practices and procedures of the Depositary. The Company shall use commercially reasonable efforts to cause the Transfer Agent to cooperate with the Depositary and the applicable Agent Member in order to effect the issuance and delivery of Shares in accordance with such practices and procedures.

(b) Definitive Warrants. Shares issuable upon exercise of the Definitive Warrants shall be issued in book-entry format. The Company shall cause the Transfer Agent, as promptly as practical but in any event no later than four (4) Business Days after the Exercise Date, to cooperate with the Agent Member designated by the Holder on the Exercise Form in order that the Shares will be issued, delivered and credited to the account of the Agent Member at the Depositary for the benefit of the Holder through the Deposit/Withdrawal at Custodian (DWAC) function of the Depositary or such other function as may be adopted by the Depositary for that purpose. Notwithstanding the foregoing, if, at the time of the exercise of any Definitive Warrant, the Depositary notifies the Company in writing that it is unwilling or unable to continue as Depositary for the shares issuable upon exercise of such Definitive Warrant or if at any time the Depositary ceases to be a "clearing agency" registered under the Exchange Act and, in each such case, a successor Depositary is not appointed by the Company within 90 days of such notice, the Company shall issue the Shares in such name or names as indicated on the Exercise Notice, provided the Holder shall have furnished the Company with the appropriate tax identification information and, if the Shares are to be issued in the name of any Person other than the Holder, evidence of the payment of any required transfer or similar tax shall have been furnished to the Company. At the option of the Company, the Shares may either be represented by certificates or issued through direct registration on the books and records of the Transfer Agent. If the Shares are issued in certificated form, the Company shall physically deliver the certificates representing the Shares to the address specified in the Exercise Notice. The Company shall cause the Shares to be issued and delivered as aforesaid, as promptly as practical but in any event no later than four (4) Business Days after the Exercise Date.

(c) Valid Issuance; Timing of Issuance. The Company represents, warrants and covenants that any Shares issued upon the exercise of Warrants in accordance with the provisions of this Agreement shall be duly and validly authorized and issued, fully paid and nonassessable and free from all liens and charges (other than liens or charges created by a Holder). The Company will use its reasonable best efforts to ensure that the Shares may be issued without violation of any law or regulation applicable

to the Company or of any requirement applicable to the Company of any securities exchange on which the Shares are listed or traded.

The Shares (or other securities or property to which the exercising Holder is entitled pursuant to this Agreement) issuable or deliverable upon the exercise of Warrants shall be deemed to have been issued or delivered for all purposes as of the close of business on the applicable Exercise Date, notwithstanding that the stock transfer books of the Company may then be closed or certificates or other evidence of ownership representing such Shares (or other securities or property) may not be actually delivered or entered on such date.

(d) No Rights as Stockholder. Nothing contained in this Agreement or the Warrants shall be construed as conferring upon the Holders the right to vote or to consent or to receive notice as stockholders in respect of the meetings of stockholders or the election of directors of the Company or any other matter, or any rights whatsoever, including the right to receive dividends or other distributions, as stockholders of the Company, or the right to share in the assets of the Company in the event of its liquidation, dissolution or winding up, except in respect of Common Stock received following exercise of Warrants. In addition, nothing contained in this Agreement or the Warrants shall be construed as imposing any liabilities on the Holder as a stockholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company.

Section 3.05. No Fractional Shares or Scrip.

No fractional Shares or scrip representing fractional Shares shall be issued upon any exercise of Warrants. In lieu of any fractional Share to which a Holder would otherwise be entitled upon an exercise of Warrants, such Holder shall be entitled to receive a cash payment equal to the value of such fractional Share based on the Fair Market Value of the Common Stock as of the applicable Exercise Date. The number of full Shares that shall be issuable upon an exercise of Warrants by a Holder at any time shall be computed on the basis of the aggregate number of Shares which may be issuable pursuant to the Warrants being exercised by that Holder at that time. Whenever a payment for fractional Shares is to be made by the Warrant Agent under any section of this Agreement, the Company shall (i) provide to the Warrant Agent in reasonable detail the facts related to such payments and the prices and/or formulas utilized in calculating such payments, and (ii) provide sufficient monies to the Warrant Agent in the form of fully collected funds to make such payments.

Any Holder, or any owner of a beneficial interest in a Global Warrant, by its acceptance of a Warrant Certificate, expressly agrees to receive cash in lieu of any fractional Share in accordance with this Section 3.05 and waives its right to receive a physical certificate representing such fractional Share upon exercise of any Warrant.

Section 3.06. Covenants Relating to Common Stock Issuable Upon Warrant Exercise.

(a) Common Stock Reserve. The Company will at all times reserve and keep available, out of its authorized but unissued Common Stock, a number of shares of Common Stock sufficient for the exercise in full of all outstanding Warrants. The Company shall not take any action that would require an adjustment of the Warrant Share Number if as a result thereof the aggregate number of Shares issuable upon exercise of the outstanding Warrants, together with all shares of Common Stock then outstanding and all shares of Common Stock then issuable upon the exercise of, or underlying, all outstanding options, warrants, conversion and other rights (without duplication), would exceed the total number of shares of Common Stock then authorized by its Charter.

(b) Listing. To the extent the shares of Common Stock are then listed on an Exchange, the Company will procure, at its sole expense, the listing of the Shares issuable upon exercise of the Warrants, subject to issuance or notice of issuance, on all Exchanges on which the Common Stock is then listed or traded. For the avoidance of doubt, the Company shall have no obligation to cause the Warrants to be listed or traded on any Exchange or Over-the-Counter Market or any other similar market of any kind.

(c) Common Stock Certificates. If and to the extent that Shares shall be issuable in certificated form upon exercise of Definitive Warrants in accordance with the terms of this Agreement, the Company shall so notify the Warrant Agent. The Warrant Agent shall thereafter be authorized to request from time to time from the Transfer Agents stock certificates required to honor the exercise of outstanding Definitive Warrants, and the Company shall authorize and direct the Transfer Agent to comply with all such requests of the Warrant Agent. The Company shall supply the Transfer Agent with duly executed stock certificates for such purposes and shall provide or otherwise make available any cash that may be payable upon exercise of Warrants in lieu of the issuance of fractional Shares.

(d) No Impairment. The Company will not, by amendment of its Charter or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, intentionally avoid the observance or performance of any of the terms to be observed or performed by the Company under this Agreement, but will at all times in good faith assist in the carrying out of all the provisions of this Agreement and each Warrant Certificate.

Section 3.07 Exercise Calculations.

To the extent applicable, the Company shall calculate and transmit to the Warrant Agent, and the Warrant Agent shall have no obligation under this Agreement to calculate, the number of Shares deliverable pursuant to any exercise of Warrants. The number of Shares to be issued on such exercise will be determined by the Company, with written notice thereof to the Warrant Agent. The Warrant Agent shall have no duty or obligation to investigate or confirm whether the Company's determination of the number of Shares to be issued on such exercise is accurate or correct.

ARTICLE IV

ANTI-DILUTION PROVISIONS

Section 4.01. Anti-dilution Adjustments; Notice of Adjustment.

The Exercise Price and the Warrant Share Number shall be subject to adjustment from time to time as set forth in this Section 4.01; *provided* that no single event shall give rise to an adjustment under more than one subsection of this Section 4.01 (other than in the case of a dividend or other distribution of different types of property, in which case Section 4.01(a), 4.01(b), 4.01(c) or 4.01(d) shall apply to the appropriate parts of each such dividend or distribution); *provided further* that any issuance of Common Stock upon exercise of the Warrants shall not itself give rise to any adjustment under this Section 4.01.

(a) Stock Splits, Reverse Splits and Dividends. The Exercise Price and Warrant Share Number shall be adjusted pursuant to the formulas below in the event the Company (i) pays a dividend or makes any other distribution with respect to its Common Stock solely in shares of its Common Stock, (ii) subdivides or reclassifies its outstanding shares of Common Stock into a greater number of shares or (iii) combines or reclassifies its outstanding shares of Common Stock into a smaller number of shares.

Such adjustments shall become effective (x) in the case of clause (i) above, at the open of business on the ex-date for such dividend or distribution or (y) in the case of clause (ii) or (iii) above, at the open of business on the effective date of such event. In the event that a dividend or distribution described in clause (i) above is not so paid or made, the Exercise Price and the Warrant Share Number shall be readjusted, effective as of the date when the Board of Directors determines not to make such dividend or distribution, as the case may be, to be the Exercise Price and the Warrant Share Number that would be in effect if such dividend or distribution had not been declared.

$$N_a = N_b \, x \, \frac{O_a}{O_b}$$

$$E_a = E_b \, x \, \frac{O_b}{O_a}$$

Where:

N_b = Warrant Share Number before the adjustment

N_a = Warrant Share Number after the adjustment

E_b = Exercise Price before the adjustment

E_a = Exercise Price after the adjustment

O_b = Number of shares of Common Stock outstanding immediately before the transaction in question

O_a = Number of shares of Common Stock outstanding immediately after the transaction in question

(b) Certain Rights, Options and Warrants. The Exercise Price and Warrant Share Number shall be adjusted pursuant to the formulas below in the event the Company issues to all or substantially all holders of the Common Stock any rights, options or warrants entitling them, for a period of not more than sixty (60) calendar days after the announcement date of such issuance, to subscribe for or purchase shares of the Common Stock at a price per share that is less than the average of the Fair Market Values of one share of Common Stock for the ten (10) consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the announcement date of such issuance; *provided* that the Exercise Price shall not be increased (and Warrant Share Number shall not be decreased) as a result of this Section 4.01(b). Such adjustments shall be made successively whenever any such rights, options or warrants are issued and shall become effective at the open of business on the ex-date for such issuance.

To the extent that shares of the Common Stock are not delivered after the expiration of such rights, options or warrants, the Exercise Price and the Warrant Share Number shall be readjusted to be the Exercise Price and the Warrant Share Number that would then be in effect had the adjustment with

respect to the issuance of such rights, options or warrants been made on the basis of delivery of only the number of shares of Common Stock actually delivered. In the event that such rights, options or warrants are not so issued, the Exercise Price and the Warrant Share Number shall be readjusted to be the Exercise Price and the Warrant Share Number that would then be in effect if such ex-date had not occurred.

For purposes of this Section 4.01(b), in determining whether any rights, options or warrants entitle the holders to subscribe for or purchase shares of the Common Stock at less than such average of the Fair Market Values of one share of Common Stock for the ten (10) consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the announcement date of such issuance, and in determining the aggregate offering price of such shares of Common Stock, there shall be taken into account the Fair Market Value of any consideration received by the Company for such rights, options or warrants and any amount payable on exercise or conversion thereof.

$$N_a = N_b \, x \, \frac{O_b + X}{O_b + Y}$$

$$E_a = E_b \, x \, \frac{O_b + Y}{O_b + X}$$

Where:

N_b = Warrant Share Number before the adjustment

N_a = Warrant Share Number after the adjustment

E_b = Exercise Price before the adjustment

E_a = Exercise Price after the adjustment

O_b = Number of shares of Common Stock outstanding immediately before the transaction in question

X = Number of shares of Common Stock issuable pursuant to such rights, options or warrants

Y = Number of shares of Common Stock equal to the aggregate price payable to exercise such rights, options or warrants, *divided by* the average of the Fair Market Values of one share of Common Stock over the ten (10) consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the announcement date of the issuance of such rights, options or warrants.

(c) Certain Dividends and Distributions. If the Company dividends or distributes shares of securities, evidences of indebtedness, assets, property, cash, rights, options or warrants (other than (i) regular cash dividends paid in the ordinary course; (ii) dividends, distributions or issuances for which an adjustment is made pursuant to Section 4.01(a) or Section 4.01(b); and (iii) Spin-Offs as to which the provisions of Section 4.01(d) below shall apply) to all or substantially all holders of the Common Stock, the Exercise Price and Warrant Share Number shall be adjusted pursuant to the formulas below. Such adjustments shall become effective at the open of business on the ex-date for such dividend or

distribution. For the avoidance of doubt, notwithstanding anything herein to the contrary, there shall be no adjustment of any kind under this Agreement for regular cash dividends paid by the Company in the ordinary course.

In the event that such dividend or distribution is not so paid or made, the Exercise Price and the Warrant Share Number shall be readjusted, effective as of the date when the Board of Directors determines not to make such dividend or distribution, as the case may be, to be the Exercise Price and the Warrant Share Number that would be in effect if such dividend or distribution had not been declared.

$$N_a = N_b \, x \, \frac{M}{M - D}$$

$$E_a = E_b \, x \, \frac{M - D}{M}$$

Where:

N_b = Warrant Share Number before the adjustment

N_a = Warrant Share Number after the adjustment

E_b = Exercise Price before the adjustment

E_a = Exercise Price after the adjustment

M = Average of the Fair Market Values of one share of Common Stock for the ten (10) consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the ex-date for such dividend or distribution

D = Fair Market Value of such dividend or distribution made per share of Common Stock as of the ex-date; *provided* that if such Fair Market Value is determined by reference to the actual or when-issued trading market for any securities, such determination shall consider the prices in such market over the ten (10) consecutive Trading Day period ending on, and including, the Trading Day immediately preceding such ex-date. For purposes of this adjustment, the Fair Market Value of such dividend or distribution (if in the form of securities other than Common Stock) shall be determined as if it were "Common Stock" pursuant to the definition of Fair Market Value; *provided further* that, in the event a dividend is paid by the Company a portion of which is a regular cash dividend paid in the ordinary course and a portion of which does not constitute a regular cash dividend paid in the ordinary course and an adjustment is required under this Section 4.01(c), then "D" will be equal to the portion of the dividend that does not constitute a regular cash dividend paid in the ordinary course.

(d) Spin-Offs. If the Company pays a dividend or makes any other distribution on the Common Stock of shares of Capital Stock of any class or series, or similar equity interest, of or relating to a Subsidiary or other business unit of the Company, that are, or, when issued, will be, listed or admitted

for trading on a Principal Exchange (a "Spin-Off"), the Exercise Price and Warrant Share Number shall be adjusted pursuant to the formulas below. Such adjustments shall become effective at the close of business on the last Trading Day of the ten (10) consecutive Trading Day period beginning on, and including, the first Trading Day following ex-date for such Spin-Off on which the Capital Stock of such Subsidiary or other business unit begins to trade regular way on such Principal Exchange (the "Valuation Period").

$$N_a = N_b \, x \, \frac{D + M}{M}$$

$$E_a = E_b \, x \, \frac{M}{D + M}$$

Where:

N_b = Warrant Share Number before the adjustment

N_a = Warrant Share Number after the adjustment

E_b = Exercise Price before the adjustment

Ea = Exercise Price after the adjustment

M = Average of the Fair Market Values of one share of Common Stock over the Valuation Period

D = Average of the Fair Market Values of such Capital Stock or similar equity interest distributed to holders of the Common Stock applicable to one share of the Common Stock over the Valuation Period. For purposes of this adjustment, the Fair Market Value of such distribution shall be determined as if it were "Common Stock" pursuant to the definition of Fair Market Value.

If the Exercise Date for any exercise of Warrants occurs during the Valuation Period, the reference in the definition of "Valuation Period" to "ten (10)" shall be deemed replaced with such lesser number of Trading Days as have elapsed between the beginning of the Valuation Period and such Exercise Date in determining the Exercise Price and Warrant Share Number.

(e) Tender and Exchange Offers. If a publicly-announced tender or exchange offer, or other repurchase offer made by the Company or any of its Affiliates for the Common Stock (other than a Reorganization) shall be consummated, to the extent that the cash and Fair Market Value of any other consideration included in the payment per share of Common Stock exceeds the average of the Fair Market Values of the Common Stock over the ten (10) consecutive Trading Day period ending on, and including, the tenth (10^{th}) Trading Day immediately following the date on which such tender or exchange offer is consummated, then the Exercise Price and the Warrant Share Number shall be adjusted pursuant to the formulas below; *provided* that the Exercise Price shall not be increased (and Warrant Share Number shall not be decreased) as a result of this Section 4.01(e). Such adjustments shall be determined at the close of business on the tenth (10^{th}) Trading Day immediately following the date on which such tender or

exchange offer is consummated, but shall become effective as of the date on which such tender or exchange offer expires.

$$N_a = N_b \, x \, \frac{(O_a \, x \, M) + C}{O_b \, x \, M}$$

$$E_a = E_b \, x \, \frac{O_b \, x \, M}{(O_a \, x \, M) + C}$$

Where:

N_b = Warrant Share Number before the adjustment

N_a = Warrant Share Number after the adjustment

E_b = Exercise Price before the adjustment

E_a = Exercise Price after the adjustment

M = Average of the Fair Market Values of one share of Common Stock over the ten (10) consecutive Trading Day period ending on, and including, the tenth (10^{th}) Trading Day immediately following the date on which such tender or exchange offer is consummated

C = Aggregate Fair Market Value of all cash and any other consideration paid or payable for shares of Common Stock in such tender or exchange offer

O_b = Number of shares of Common Stock outstanding immediately before giving effect to such tender or exchange offer

O_a = Number of shares of Common Stock outstanding immediately after giving effect to such tender or exchange offer.

If the Exercise Date for any exercise of Warrants occurs on or after the date on which such tender or exchange offer expires and prior to the tenth (10^{th}) Trading Day immediately following the date on which such tender or exchange offer is consummated, references in this Section 4.01(e) to "tenth (10^{th}) Trading Day immediately following the date on which such tender or exchange offer is consummated" shall be deemed replaced by references to such Exercise Date and references in this Section 4.01(e) to "ten (10)" shall be deemed replaced with such lesser number of Trading Days as have elapsed between the date on which such tender or exchange offer is consummated and such Exercise Date, in each case, in determining the Exercise Price and Warrant Share Number.

(f) Reorganizations. In the case of any Reorganization, following the effective time of such Reorganization, a Holder's right to acquire Shares upon exercise of the Warrants shall be converted into the right to acquire, upon exercise of such Warrants, one Unit of Exchange Property with respect to each Share previously issuable upon exercise of the Warrants; *provided* that if the Exchange Property consists solely of cash, on the effective date of such Reorganization, each Holder shall receive, in respect

of each Warrant it holds, at the same time and upon the same terms as holders of Common Stock receive the cash in exchange for their shares of Common Stock, an amount of cash equal to the greater of (i) (x) the amount of cash that such Holder would have received if such Holder owned, as of the record date for such Reorganization, a number of shares of Common Stock equal to the Warrant Share Number in effect on such record date, *minus* (y) the Exercise Price in effect on such record date *multiplied by* the Warrant Share Number in effect on such record date and (ii) $0, and upon the Company's delivery of such cash (if any) in respect of such Warrant, such Warrant shall be deemed to have been exercised in full and canceled. For the avoidance of doubt, if, in connection with any Reorganization in which the Exchange Property is comprised of solely cash, the per share amount of cash received by holders of the Common Stock is less than the Exercise Price, the Warrants shall be deemed to have expired for no consideration.

In the case of any Reorganization in which holders of Common Stock may make an election as between different types of Exchange Property, a Holder shall be deemed to have elected to receive upon exercise of the Warrants the weighted average of the types and amounts of consideration received by all holders of Common Stock.

The Company shall not consummate any Reorganization unless the Company first shall have made appropriate provision to ensure that applicable provisions of this Agreement (including, without limitation, the applicable provisions of this Section 4.01) shall immediately after giving effect to such Reorganization be assumed by and binding on the other party to such Reorganization (or the surviving entity, successor, parent company and/or issuer of the Exchange Property, as appropriate) and applicable to any Exchange Property deliverable upon the exercise of Warrants, pursuant to a customary assumption agreement. Any such assumption agreement shall also include any amendments to this Agreement necessary to effect the changes to the terms of the Warrants described in this Section 4.01(f) and preserve the intent of the provisions of this Agreement (including, without limitation, the adjustment provisions in this Section 4.01). The provisions of this Section 4.01(f) shall similarly apply to successive Reorganizations.

The provisions of this Section 4.01(f) are subject, in all cases, to any applicable requirements under the Securities Act and the Exchange Act and the respective rules and regulations promulgated thereunder. Where there is any inconsistency between the requirements of the Securities Act or the Exchange Act or the rules and regulations promulgated thereunder and the requirements of this Section 4.01(f), the requirements of the Securities Act and the Exchange Act and the respective rules and regulations promulgated thereunder shall supersede.

(g) Management Incentive Plan. If at any time, or from time to time, during the period from and including the Effective Date until the one-year anniversary of the Effective Date, the Company issues (i) shares of Common Stock or (ii) securities, including derivative securities, (x) exchangeable or exercisable for or convertible into shares of Common Stock, (y) having the right to participate generally in the earnings and profits or dividends and distributions of the Company along with the Common Stock or (z) tracking the value of the Common Stock, in each case pursuant to the MIP (as defined in the Plan) (such securities, as determined in good faith and in a commercially reasonable manner by the Board of Directors or a committee of members of the Board of Directors to whom the Board of Directors expressly delegates authority to make such determination, the "MIP Shares"), the Warrant Share Number shall be adjusted as follows:

$$N_a = N_b \, x \, \frac{O_a}{O_b}$$

Where:

N_b = Warrant Share Number before the adjustment

N_a = Warrant Share Number after the adjustment

O_b = Number of shares of Common Stock outstanding as of the Effective Date *plus* the number of any MIP Shares issued between the Effective Date and the issuance of the MIP Shares for which the adjustment is being made (excluding for the avoidance of doubt the MIP Shares for which the adjustment is being made)

O_a = Number of shares of Common Stock outstanding as of the Effective Date *plus* the number of issued MIP Shares (including for the avoidance of doubt the MIP Shares for which the adjustment is being made).

In the case of MIP Shares other than shares of Common Stock, the number of MIP Shares shall be on a Common Stock equivalent basis, as reasonably determined by the Board or the compensation committee of the Board (or other committee of the Board performing a similar function). No change shall be made to the Exercise Price in connection with an adjustment to the Warrant Shares Number in accordance with this Section 4.01(g).

(h) Record Owners. If (i) an adjustment to the Warrant Share Number and the Exercise Price becomes effective on the ex-date for any dividend, distribution or other event, and (ii) a Holder exercises its Warrants on or after such ex-date and on or prior to the related record date for such dividend, distribution or other event, then, notwithstanding the provisions in this Section 4.01, the Warrant Share Number and Exercise Price adjustment relating to the dividend, distribution or other event to which such ex-date corresponds shall not be made with respect to the Warrants exercised by the Holder as aforesaid and instead, such Holder shall be treated as if such Holder were the record owner of the shares of Common Stock issuable upon exercise of such Warrants on the record date, and, as such record holder, shall participate in the related dividend, distribution or other event otherwise giving rise to such adjustment.

(i) Certain Other Events. The Company may make decreases in the Exercise Price and/or increases in the Warrant Share Number as the Board of Directors deems advisable in good faith in order to avoid or diminish any income tax to holders of the Common Stock resulting from any dividend or distribution of stock (or rights to acquire stock) or from any event treated as such for income tax purposes.

(j) Shareholder Rights Plans. If the Company has a shareholder rights plan in effect at the time of any exercise of Warrants, then each share of Common Stock issued upon such exercise shall be entitled to receive the appropriate number of rights, if any, and the certificates representing the Common Stock issued upon such exercise shall bear such legends, if any, in each case as may be provided by the terms of any such shareholder rights plan, as the same may be amended from time to time. However, if, prior to any exercise of Warrants, the rights have separated from the shares of Common Stock in accordance with the provisions of the applicable shareholder rights plan, the Exercise Price and Warrant Share Number shall be adjusted at the time of separation as if the Company made a distribution of the type for which an adjustment is made pursuant to Section 4.01(c), subject to readjustment in the event of the expiration, termination or redemption of such rights.

(k) Rounding of Calculations; Minimum Adjustments. All calculations under this Section 4.01 shall be made to the nearest one-tenth ($1/10^{th}$) of a cent or to the nearest one-hundredth (1/100th) of a share, as the case may be. Any provision of this Section 4.01 to the contrary

notwithstanding, no adjustment in the Exercise Price or the Warrant Share Number shall be made if the amount of such adjustment would be less than $0.01 or one-tenth (1/10th) of a share of Common Stock, but any such amount shall be carried forward, and an adjustment with respect thereto shall be made at the time of and together with any subsequent adjustment which, together with such amount and any other amount or amounts so carried forward, shall aggregate $0.01 or one-tenth (1/10th) of a share of Common Stock, or more, or upon exercise of a Warrant if it shall earlier occur.

If an adjustment in the Exercise Price made hereunder would reduce the Exercise Price to an amount below $0.01 then such adjustment in the Exercise Price made hereunder shall reduce the Exercise Price to $0.01 and not lower.

(l) Notice of Adjustment. Whenever the Warrant Share Number, the number of shares of stock or property other than Common Stock issuable upon the exercise of the Warrants or the Exercise Price is adjusted, or the type of securities or property to be delivered upon exercise of the Warrants is otherwise changed, as herein provided, the Company shall deliver to the Warrant Agent a notice of such adjustment or adjustments and shall deliver to the Warrant Agent a statement setting forth the Warrant Share Number, the number and type of shares of stock or property other than Common Stock issuable upon the exercise of a Warrant and the Exercise Price after such adjustment, setting forth a brief statement of the facts requiring such adjustment and setting forth the computation by which such adjustment was made, and the Warrant Agent shall cause such notice and statement to be sent or communicated to the Holders and owners of a beneficial interest in a Global Warrant in the manner set forth in Section 6.03 hereof. Any failure to deliver such notice or statement shall not affect the validity of the relevant adjustments or the events giving rise to such adjustments.

(m) Notice of Action. In the event that the Company shall propose to take any action of the type described in this Section 4.01 (but only if the action of the type described in this Section 4.01 would result in an adjustment to the Warrant Share Number, the number of shares of stock or property other than Common Stock issuable upon the exercise of the Warrants or the Exercise Price), including any Reorganization, the Company shall deliver to the Warrant Agent a notice, and the Warrant Agent shall cause such notice to be sent or communicated to the Holders and owners of a beneficial interest in a Global Warrant in the manner set forth in Section 6.03, which notice shall specify the record date, if any, with respect to any such action and the approximate date on which such action is to take place. Such notice shall also set forth the facts with respect thereto as shall be reasonably necessary to indicate the effect on the Warrant Share Number, the number of shares of stock or property other than Common Stock issuable upon the exercise of the Warrants and the Exercise Price. In the case of any action which would require the fixing of a record date, such notice shall be given at least ten (10) days prior to the date so fixed, and in case of all other action, such notice shall be given at least fifteen (15) days prior to the taking of such proposed action. Failure to give such notice, or any defect therein, shall not affect the legality or validity of any such action. Notwithstanding anything to the contrary in this Agreement, the Company shall not be required to deliver any notice pursuant to this Section 4.01(m) at any time that such notice would contain material non-public information relating to the Company or the Common Stock; *provided* that in the event, at the time the Company is contemplating any action of the type described in this Section 4.01, (i) the Company is aware that such material non-public information exists and (ii) such action would require the fixing of a record date, the Company shall fix the record date in a manner that permits the Company to deliver the applicable notice at least ten (10) days prior to the date so fixed, or , if the fixing of the record date in such manner would result in the violation of law or regulation (including, for the avoidance of doubt, applicable rules of any national securities exchange) the Company shall fix the record date in a manner that permits the Company to deliver the applicable notice prior to the date so fixed as would not result in such violation.

(n) Proceedings Prior to Any Action Requiring Adjustment. As a condition precedent to the taking of any action which would require an adjustment pursuant to this Section 4.01, the Company shall take any action which may be necessary, including obtaining regulatory, New York Stock Exchange, The NASDAQ Stock Market or other applicable national securities exchange or stockholder approvals or exemptions, in order that the Company may thereafter validly and legally issue as fully paid and nonassessable all Shares that a Holder is entitled to receive upon exercise of a Warrant pursuant to this Agreement, after giving effect to the adjustment that would be made under this Section 4.01.

Section 4.02. Changes to Warrant Certificate.

The form of Warrant Certificate need not be changed because of any adjustment made pursuant to this Agreement, and Warrant Certificates issued after such adjustment may state the same Warrant Share Number, number of shares of stock or property other than Common Stock issuable upon the exercise of the Warrants and Exercise Price as are stated in the Warrant Certificates initially issued pursuant to this Agreement. The Company, however, may at any time in its sole discretion make any ministerial change in the form of Warrant Certificate that it may deem appropriate to give effect to such adjustments and that does not affect the substance of the Warrant Certificate, and any Warrant Certificate thereafter issued or countersigned, whether in exchange or substitution for an outstanding Warrant Certificate or otherwise, may be in the form as so changed. In the event of any such change, the Company shall give prompt notice thereof to the Warrant Agent and, if appropriate, notation thereof shall be made on all Warrant Certificates thereafter surrendered for registration of transfer or exchange.

ARTICLE V

WARRANT AGENT

Section 5.01 Appointment of Warrant Agent.

The Company hereby appoints the Warrant Agent to act as agent for the Company in accordance with the provisions of this Agreement and the Warrant Agent hereby accepts such appointment and shall perform the same in accordance with the express terms and conditions set forth in this Agreement. The Warrant Agent shall not be liable for anything that it may do or refrain from doing in connection with this Agreement, except for its own gross negligence, willful misconduct, fraud or bad faith. Notwithstanding anything in this Agreement to the contrary, in no event shall the Warrant Agent be liable for special, punitive, incidental, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Warrant Agent has been advised of the likelihood of such loss or damage and regardless of the form of the action. The rights and obligations of the parties set forth in this Section 5.01 shall survive the termination of this Agreement and the resignation, replacement or removal of the Warrant Agent.

Section 5.02. Rights and Duties of Warrant Agent.

(a) Agent for the Company. In acting under this Agreement and in connection with the Warrant Certificates, the Warrant Agent is acting solely as agent of the Company and does not assume any obligation of agency or trust or any relationship of agency or trust for or with any of the holders of Warrant Certificates or beneficial owners of Warrants.

(b) Counsel. The Warrant Agent may consult with counsel reasonably satisfactory to it, and the advice of such counsel shall be full and complete authorization and protection to the Warrant

Agent in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with the advice of such counsel.

(c) Documents. The Warrant Agent shall be protected and shall incur no liability for, or in respect of, any action taken or thing suffered by it, absent gross negligence, willful misconduct, fraud or bad faith, in reliance upon any Warrant Certificate, notice, direction, consent, certificate, affidavit, statement or other paper or document reasonably believed by it to be genuine and to have been presented or signed by the proper Officers. The Warrant Agent shall not take any instructions or directions except those given in accordance with this Agreement.

(d) No Implied Obligations. The Warrant Agent shall be obligated to perform only such duties as are specifically set forth herein and in the Warrant Certificates, and no implied or inferred duties, responsibility or obligations of the Warrant Agent shall be read into this Agreement or the Warrant Certificates against the Warrant Agent. The Warrant Agent shall not be under any obligation to take any action hereunder that may cause it to incur any expense or liability for which it does not receive indemnity if such indemnity is reasonably requested. The Warrant Agent shall not be accountable or under any duty or responsibility for the use by the Company of any of the Warrant Certificates countersigned by the Warrant Agent and delivered by it to the Holders or on behalf of the Holders pursuant to this Agreement or for the application by the Company of the proceeds of the Warrants (if any). The Warrant Agent shall have no duty or responsibility in the case of any default by the Company in the performance of its covenants or agreements contained herein or in the Warrant Certificates or in the case of the receipt of any written demand from a Holder with respect to such default, including any duty or responsibility to initiate or attempt to initiate any proceedings at law or otherwise. The Warrant Agent shall have no duty or responsibility to ensure compliance with any applicable federal or state securities law in connection with the issuance, transfer or exchange of any Warrants under this Agreement.

(e) Not Responsible for Adjustments or Validity of Stock. The Warrant Agent shall not at any time be under any duty or responsibility to any Holder to determine whether any facts exist that may require an adjustment of the Warrant Share Number or the Exercise Price or to calculate any such adjustment, or to make any determination with respect to the nature or extent of any adjustment when made, or with respect to the method employed, herein or in any supplemental agreement provided to be employed, in making the same. The Warrant Agent shall not be accountable with respect to the validity or value of any Shares or of any securities or property that may at any time be issued or delivered upon the exercise of any Warrant or upon any adjustment pursuant to Section 4.01, and it makes no representation with respect thereto. The Warrant Agent shall not be responsible for any failure of the Company to make any cash payment or to issue, transfer or deliver any Shares or stock certificates upon the surrender of any Warrant Certificate for the purpose of exercise or upon any adjustment pursuant to Section 4.01, or to comply with any of the covenants of the Company contained in the Warrant Certificate or this Agreement.

(f) Notices or Demands Addressed to the Company. If the Warrant Agent receives any notice or demand addressed to the Company by the Holder of a Warrant, the Warrant Agent shall promptly forward such notice or demand to the Company.

(g) Ambiguity. In the event the Warrant Agent reasonably believes any ambiguity or uncertainty exists hereunder or in any Warrant Certificate, notice, instruction, direction, request or other communication, paper or document received by the Warrant Agent hereunder, the Warrant Agent shall notify the Company in writing as soon as practicable, and upon delivery of such notice may, in its sole discretion, refrain from taking any action, and shall be fully protected and shall not be liable in any way to the Company or any Holder or other Person for refraining from taking such action, unless the Warrant

Agent receives written instructions signed by the Company which eliminate such ambiguity or uncertainty to the reasonable satisfaction of the Warrant Agent. Notwithstanding anything in this Agreement to the contrary, the Warrant Agent is authorized and directed hereby to comply with any orders, judgments, or decrees of any court that it believes has jurisdiction over it and, absent gross negligence, willful misconduct, fraud or bad faith, will not be liable as a result of its compliance with the same.

Section 5.03. Individual Rights of Warrant Agent.

Subject to its obligations hereunder, the Warrant Agent and any stockholder, director, officer or employee of the Warrant Agent may buy, sell or deal in any of the Warrants or other securities of the Company or its Affiliates or become pecuniarily interested in transactions in which the Company or its Affiliates may be interested, or contract with or lend money to the Company or its Affiliates or otherwise act as fully and freely as though it were not the Warrant Agent under this Agreement. Nothing herein shall preclude the Warrant Agent from acting in any other capacity for the Company or for any other legal entity.

Section 5.04. Warrant Agent's Disclaimer.

The Warrant Agent shall not be responsible for, and makes no representation as to the validity or adequacy of, this Agreement (except the due and valid authorized execution and delivery of this Agreement by the Warrant Agent) or the Warrant Certificates (except the due countersignature of the Warrant Certificate(s) by the Warrant Agent), and it shall not be responsible for any statement in this Agreement or the Warrant Certificates other than its countersignature thereon; nor will the Warrant Agent be under any duty or responsibility to insure compliance with any applicable federal or state securities laws in connection with the issuance, transfer or exchange of Warrant Certificates.

Section 5.05. Compensation and Indemnity.

(a) Compensation of Warrant Agent. The Company agrees to pay the Warrant Agent the compensation to be agreed upon with the Company for all services rendered by the Warrant Agent under this Agreement and to reimburse the Warrant Agent upon request for all reasonable and documented out-of-pocket expenses, including the reasonable and documented counsel fees and expenses, incurred by the Warrant Agent in connection with the preparation, delivery, administration, execution and amendment of this Agreement and the performance of the services rendered by the Warrant Agent under this Agreement. The Company is not obligated to reimburse any expense incurred by the Warrant Agent through gross negligence, willful misconduct, fraud or bad faith.

(b) Indemnification by the Company. The Company shall indemnify and hold harmless the Warrant Agent and its officers and directors against any loss, liability or expense (including reasonable attorneys' fees and expenses) incurred by it (each, a "Loss" and, collectively, "Losses") without gross negligence, willful misconduct, fraud or bad faith on its part arising out of or in connection with the acceptance, administration, exercise or performance of its duties under this Agreement. The Company shall further indemnify and hold the Warrant Agent harmless from and against any Loss arising out of or attributable to the Warrant Agent's acting on the written instructions of the Company, so long as the Warrant Agent so acted without gross negligence, willful misconduct, fraud or bad faith. The Warrant Agent shall notify the Company promptly of any claim for which it may seek indemnity. The costs and expenses incurred by the Warrant Agent in successfully enforcing its right of indemnification hereunder shall be paid by the Company. The Company is not obligated to indemnify the Warrant Agent against any loss or liability incurred by the Warrant Agent through willful misconduct, gross negligence, fraud or

bad faith. The Company need not pay for any settlement made without its consent, which consent shall not be unreasonably withheld. The rights and obligations of the parties set forth in Sections 5.05(a) and (b) shall survive the termination of this Agreement and the resignation, replacement or removal of the Warrant Agent.

Section 5.06. Successor Warrant Agent.

(a) Company to Provide and Maintain Warrant Agent. The Company agrees for the benefit of the Holders that there shall at all times be a Warrant Agent hereunder until all the Warrants have been exercised or canceled or are no longer exercisable.

(b) Resignation and Removal. The Warrant Agent may at any time resign by giving written notice to the Company of such intention on its part, specifying the date on which its desired resignation shall become effective; *provided* that such date shall not be less than ninety (90) days after the date on which such notice is given unless the Company otherwise agrees. The Warrant Agent hereunder may be removed at any time by the filing with it of an instrument in writing signed by or on behalf of the Company and specifying such removal and the date when it shall become effective, which date shall not be less than ninety (90) days after such notice is given unless the Warrant Agent otherwise agrees. Any removal under this Section 5.06(b) shall take effect upon the appointment by the Company as hereinafter provided of a successor Warrant Agent (which shall be (i) a bank or trust company, (ii) organized under the laws of the United States of America or one of the states thereof, (iii) authorized under the laws of the jurisdiction of its organization to exercise corporate trust powers, (iv) having a combined capital and surplus of at least $50,000,000 (as set forth in its most recent reports of condition published pursuant to law or to the requirements of any United States federal or state regulatory or supervisory authority) and (v) having an office in the Borough of Manhattan, the City of New York) and the acceptance of such appointment by such successor Warrant Agent.

(c) Company to Appoint Successor. In the event that at any time the Warrant Agent resigns, is removed, becomes incapable of acting, fails to perform any of its obligations hereunder or under any Warrant Certificate in accordance with the terms hereof or thereof, is adjudged bankrupt or insolvent, commences a voluntary case under the federal bankruptcy laws, as now or hereafter constituted, or under any other applicable federal or state bankruptcy, insolvency or similar law, consents to the appointment of or taking possession by a receiver, custodian, liquidator, assignee, trustee, sequestrator or other similar official of the Warrant Agent or its property or affairs, makes an assignment for the benefit of creditors, admits in writing its inability to pay its debts generally as they become due, or takes corporate action in furtherance of any such action, or a decree or order for relief by a court having jurisdiction in the premises has been entered in respect of the Warrant Agent in an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or similar law, or a decree or order by a court having jurisdiction in the premises has been entered for the appointment of a receiver, custodian, liquidator, assignee, trustee, sequestrator or similar official of the Warrant Agent or of its property or affairs, or any public officer takes charge or control of the Warrant Agent or of its property or affairs for the purpose of rehabilitation, conservation, winding up or liquidation (each, a "Warrant Agent Insolvency Event"), a successor Warrant Agent, meeting the qualifications specified in Section 5.06(b), shall be appointed by the Company by an instrument in writing, filed with the successor Warrant Agent. In the event that a successor Warrant Agent is not appointed by the Company within ninety (90) days after the Company has been notified in writing of the resignation or removal of the Warrant Agent, or within thirty (30) days of the incapacity of the Warrant Agent or the occurrence of a Warrant Agent Insolvency Event, a successor Warrant Agent, qualified as aforesaid, may be appointed by the Warrant Agent or the Warrant Agent may petition a court to appoint a successor Warrant Agent. Upon the appointment as aforesaid of a successor Warrant Agent

and acceptance by the successor Warrant Agent of such appointment, the Warrant Agent shall cease to be Warrant Agent hereunder; *provided* that in the event of the resignation of the Warrant Agent under this subsection (c), such resignation shall be effective on the earlier of (i) the date specified in the Warrant Agent's notice of resignation and (ii) the appointment and acceptance of a successor Warrant Agent hereunder.

(d) Successor to Expressly Assume Duties. Any successor Warrant Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the Company an instrument accepting such appointment hereunder, and thereupon such successor Warrant Agent, without any further act, deed or conveyance, shall become vested with all the rights and obligations of such predecessor with like effect as if originally named as Warrant Agent hereunder, and such predecessor, upon payment of its charges and disbursements then unpaid, shall thereupon become obligated to transfer, deliver and pay over, and such successor Warrant Agent shall be entitled to receive, all monies, securities and other property on deposit with or held by such predecessor, as Warrant Agent hereunder.

(e) Successor by Merger. Any entity into which the Warrant Agent hereunder may be merged or consolidated, or any entity resulting from any merger or consolidation to which the Warrant Agent is a party, or any entity to which the Warrant Agent sells or otherwise transfers all or substantially all of its assets and business (including with respect to the administration of this Agreement), shall be the successor Warrant Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto; *provided* that such entity would be eligible for appointment as successor Warrant Agent under Section 5.06(b).

Section 5.07. Force Majeure.

Notwithstanding anything to the contrary contained herein, no party shall be liable for any delays or failures in performance resulting from acts beyond its reasonable control including, without limitation, acts of God, terrorist acts, pandemics, epidemics, shortage of supply, breakdowns or malfunctions, interruptions or malfunction of computer facilities, or loss of data due to power failures or mechanical difficulties with information storage or retrieval systems, labor difficulties, war, or civil unrest.

Section 5.08. Representations of the Company.

The Company represents and warrants to the Warrant Agent that:

(a) the Company has been duly organized and is validly existing under the laws of the jurisdiction of its incorporation;

(b) this Agreement has been duly authorized, executed and delivered by the Company and is enforceable against the Company in accordance with its terms, except as may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting the enforcement of creditors' rights generally and general equitable principles, regardless of whether such enforceability is considered in a proceeding at law or in equity; and

(c) the execution and delivery of this Agreement does not, and the issuance of the Warrants in accordance with the terms of this Agreement and the Warrant Certificates will not, (i) violate the Company's certificate of incorporation or by-laws, (ii) violate any law or regulation applicable to the Company or order or decree of any court or public authority having jurisdiction over the Company, or (iii) result in a breach of any material mortgage, indenture, contract, agreement or undertaking to which the

Company is a party or by which it is bound, except in the case of (ii) and (iii) for any violations or breaches that would not reasonably be expected to have a material adverse effect on the Company and its subsidiaries, taken as a whole.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Persons Benefitting.

Nothing in this Agreement is intended or shall be construed to confer upon any Person other than the Company, the Warrant Agent, the Holders and the owners of a beneficial interest in any Global Warrant any right, remedy or claim under or by reason of this Agreement or any part hereof.

Section 6.02. Amendment.

(a) Amendment without Consent of the Holders. This Agreement and the Warrants may be amended by the Company and the Warrant Agent without notice to or the consent of any Holder for the purpose of (i) curing any ambiguity, or of curing, correcting or supplementing any defective provision contained herein or therein, (ii) evidencing and providing for the acceptance of an appointment hereunder by a successor Warrant Agent or (iii) making any other change that does not adversely affect the rights of the Holders or the owners of a beneficial interest in any Global Warrant in any material respect.

(b) Amendment with Majority Consent of the Holders. Any amendment or supplement to this Agreement or the Warrants, or any waiver hereunder or thereunder, in each case, that has an adverse effect on the interests of any of the Holders or owners of a beneficial interest in a Global Warrant in any material respect shall require the written consent of the Holders of a majority of the then outstanding Warrants.

(c) Amendment Requiring Supermajority Consent. Notwithstanding anything herein to the contrary and without limitation of the immediately foregoing sentence, the consent of Holders holding eighty percent (80%) of the then-outstanding Warrants shall be required for any amendment or supplement pursuant to which:

(i) the Exercise Price would be increased, the Warrant Share Number would be decreased or the kind or amount of other property issuable upon exercise of the Warrants would be changed or decreased, as applicable (in each case, other than pursuant to adjustments provided for in Section 4.01);

(ii) the time period during which the Warrants are exercisable would be shortened;

(iii) any change adverse to a Holder or owner of a beneficial interest in a Global Warrant would be made to the anti-dilution provisions set forth in Article IV of this Agreement;

(iv) a Holder's right to exercise the Warrants and receive Shares upon such exercise, or the ability of any Holder or Agent Member (on behalf of itself or any owner of a beneficial interest in a Global Warrant) to enforce such right, would otherwise be materially impaired; or

(v) the percentage of Holders required to amend this Agreement or the Warrants or grant a waiver thereunder or hereunder would be reduced.

(d) Determination of the Consenting Holders. In determining whether the Holders of the required number of Warrants have concurred in any direction, waiver or consent, Warrants owned by the Company or by any Affiliate of the Company shall be disregarded and deemed not to be outstanding, except that, for the purpose of determining whether the Warrant Agent shall be protected in relying on any such direction, waiver or consent, only Warrants that the Warrant Agent knows are so owned shall be so disregarded. Also, subject to the foregoing, only Warrants outstanding at the time shall be considered in any such determination.

(e) Record Date; Form. The Company and the Warrant Agent may set a record date for any such direction, waiver or consent and only the Holders as of such record date shall be entitled to make or give such direction, waiver or consent. It is not necessary for Holders or owners of a beneficial interest in a Global Warrant to approve the particular form of any proposed amendment, supplement or waiver if their consent approves the substance thereof.

(f) Action by Warrant Agent. The Warrant Agent shall have no duty to determine whether any such amendment or supplement would have an effect on the rights or interests of the holders of the Warrants. Upon receipt by the Warrant Agent of an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent to the execution of the amendment or supplement have been complied with and such execution is permitted by this Agreement and the Warrant Certificate, the Warrant Agent shall join in the execution of such amendment or supplement; *provided* that the Warrant Agent may, but shall not be obligated to, execute any such amendment or supplement which affects the rights or changes or increases the duties or obligations of the Warrant Agent. Promptly following execution of any amendment or supplement to this Agreement or the Warrant Certificate, the Company shall send a copy thereof to the Warrant Agent and the Warrant Agent shall cause such document to be sent or communicated to the Holders and owners of a beneficial interest in a Global Warrant in the manner set forth in Section 6.03; *provided* that any failure to deliver such copy or any defect therein shall not affect the validity of such amendment or supplement. As a condition precedent to the Warrant Agent's execution of any such amendment or supplement, the Company shall deliver to the Warrant Agent an Officer's Certificate that states that the proposed amendment or supplement is in compliance with the terms of this Section 6.02.

Section 6.03. Notices.

Any notice or communication shall be in writing and delivered in person, by certified or registered mail, or nationally-recognized courier, or by facsimile or e-mail transmission, if acceptable to the parties, addressed as follows:

if to the Company:

California Resources Corporation
27200 Tourney Road, Suite 200
Santa Clarita, California 91355
Attention: Michael L. Preston
Email: Michael.preston@crc.com

with a copy to:

Sullivan & Cromwell LLP
125 Broad Street
New York, NY 10004
Attention: Alison S. Ressler, Andrew G. Dietderich, and James L. Bromley
Email: resslera@sullcrom.com, dietdericha@sullcrom.com, bromleyj@sullcrom

if to the Warrant Agent:

American Stock Transfer & Trust Company, LLC
6201 15th Avenue
Brooklyn, New York 11219
Attention: Reorg Department
Email: Reorg_Conversions@astfinancial.com, thill@astfinancial.com

The Company or the Warrant Agent by notice to the other may designate additional or different addresses for subsequent notices or communications.

Any notice or communication mailed to a Holder shall be mailed to the Holder at the Holder's address as it appears on the Registry and shall be sufficiently given if so mailed within the time prescribed. Any notice to the owners of a beneficial interest in a Global Warrant shall be distributed through the Depositary in accordance with the procedures of the Depositary. Communications to owners shall be deemed to be effective at the time of dispatch to the Depositary.

Failure to provide a notice or communication to a Holder or owner of a beneficial interest in a Global Warrant or any defect in it shall not affect its sufficiency with respect to other Holders or owners of a beneficial interest in a Global Warrant. If a notice or communication is provided in the manner provided above, it is duly given, whether or not the intended recipient actually receives it.

Section 6.04. Governing Law; Waiver of Jury Trial.

This Agreement will be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State. EACH OF THE COMPANY, THE WARRANT AGENT AND, BY ACCEPTANCE OF THE WARRANTS, THE HOLDERS, ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT OR A WARRANT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH SUCH PERSON HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PERSON MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR A WARRANT. EACH OF THE COMPANY, THE WARRANT AGENT AND, BY ACCEPTANCE OF THE WARRANTS, THE HOLDERS CERTIFIES AND ACKNOWLEDGES THAT (a) NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (b) SUCH PERSON UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (c) SUCH PERSON MAKES THIS WAIVER VOLUNTARILY, AND (d) SUCH PERSON HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 6.05. Successors.

All agreements of the Company in this Agreement and the Warrants shall bind its successors and permissible assigns. All agreements of the Warrant Agent in this Agreement shall bind its successors and permissible assigns.

Section 6.06. Multiple Originals; Counterparts.

The parties may sign any number of copies of this Agreement. Each signed copy shall be an original, but all of them together represent the same agreement. One signed copy is enough to prove this Agreement. A signature to this Agreement transmitted electronically shall have the same authority, effect, and enforceability as an original signature.

Section 6.07. Inspection of Agreement.

A copy of this Agreement shall be made available at all reasonable times for inspection by any Holder or owners of a beneficial interest in a Global Warrant at the office of the Warrant Agent (or successor warrant agent) designated for such purpose.

Section 6.08. Table of Contents.

The table of contents and headings of the Articles and Sections of this Agreement have been inserted for convenience of reference only, are not intended to be considered a part hereof and shall not modify or restrict any of the terms or provisions hereof.

Section 6.09. Severability.

The provisions of this Agreement are severable, and if any clause or provision shall be held invalid, illegal or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect in that jurisdiction only such clause or provision, or part thereof, and shall not in any manner affect such clause or provision in any other jurisdiction or any other clause or provision of this Agreement in any jurisdiction.

Section 6.10. Customer Identification Program.

Each Person that is a party hereto acknowledges that the Warrant Agent is subject to the customer identification program ("Customer Identification Program") requirements under the USA PATRIOT Act and its implementing regulations, and that the Warrant Agent must obtain, verify and record information that allows the Warrant Agent to identify each such Person. Accordingly, prior to accepting an appointment hereunder, the Warrant Agent may request information from any such Person that will help the Warrant Agent to identify such Person, including without limitation, as applicable, such Person's physical address, tax identification number, organizational documents, certificate of good standing or license to do business. Each Person that is a party hereto agrees that the Warrant Agent cannot accept an appointment hereunder unless and until the Warrant Agent verifies each such Person's identity in accordance with the Customer Identification Program requirements.

Section 6.11 Confidentiality.

The Warrant Agent and the Company agree that all books, records, information and data pertaining to the business of the other party, including inter alia, personal, non-public Holder information,

which are exchanged or received pursuant to the negotiation or the carrying out of this Agreement, including the fees for services, shall remain confidential, and shall not be voluntarily disclosed to any other person, except as may be required by law, including, without limitation, pursuant to subpoenas from state or federal government authorities (e.g., in divorce and criminal actions).

Section 6.12. Compliance with Law.

(a) The Warrants are being issued, and the Shares will be issued, in reliance upon the exemption from the registration requirements of Section 5 of the Securities Act provided by section 1145 of the Bankruptcy Code. To the extent the Company determines that the exemption from registration provided under section 1145 of the Bankruptcy Code is not available with respect to any issuance or transfer of Warrants or Shares, the Warrant Certificates representing such Warrants, or any certificate or book entry representing such Shares, may be stamped or otherwise imprinted with a legend, and the Registry may include a restrictive notation with respect to such Warrants or Shares, in substantially the following form:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE THEREWITH.

(b) Any legend or restrictive notation referenced in this Section 6.12 shall be removed from the Warrant Certificates or Registry, or any certificate or book entry representing such Shares, at any time after the restrictions described in such legend or restrictive notation cease to be applicable, *provided* that the Company may request from any Holder or holder of Shares opinions, certificates or other evidence that such restrictions have ceased to be applicable before removing such legend or restrictive notation.

Section 6.13. Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted in this Agreement shall not be a Business Day, then such action may be taken or such right may be exercised on the next succeeding day that is a Business Day.

Section 6.14. Reports and Notices to Holders.

(a) In the event that the shares of Common Stock underlying the Warrants are deregistered or become otherwise not subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the Company will provide to the Holders, on a continuous basis for so long as any Warrants remain outstanding, any and all quarterly and annual financial and other information with respect to the Company and its Subsidiaries as is provided to the holders of the Common Stock, in each case, in the form in which such information is so provided to the holders of the Common Stock (which may include, without limitation, posting such information to the Company's public website or a password-protected website created by the Company for such purpose).

(b) At any time when the Company declares any dividend or other distribution on the Common Stock and the Common Stock is not listed on a national securities exchange, it shall give notice to the Warrant Agent of any such declaration not less than ten (10) days prior to the related record date for payment of the dividend or distribution so declared, and the Warrant Agent shall cause such notice to be sent or communicated to the Holders and owners of a beneficial interest in a Global Warrant, in the

manner set forth in Section 6.03 hereof, whether or not notice is required to be delivered pursuant to Section 4.01(l).

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date first written above.

CALIFORNIA RESOURCES CORPORATION

by /s/ Francisco Leon
Name: Francisco Leon
Title: Executive Vice President and Chief Financial Officer

American Stock Transfer & Trust Company, LLC,
as Warrant Agent

by /s/ Michael Legregin
Name: Michael Legregin
Title: SVP, Attorney Advisory Group

EXHIBIT 10.5

EXECUTION VERSION

EHP MIDCO HOLDING COMPANY, LLC
$300,000,000

Senior Secured Notes due October 27, 2027

NOTE PURCHASE AGREEMENT

Dated October 27, 2020

KE 70071050.38
4813-3612-1807 v.11.1

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EHP MIDCO HOLDING COMPANY, LLC
27200 Tourney Road, Suite 200
Santa Clarita, California 91355

Senior Secured Notes due October 27, 2027

October 27, 2020

TO EACH OF THE PURCHASERS LISTED IN
THE ATTACHED SCHEDULE A:

Ladies and Gentlemen:

EHP Midco Holding Company, LLC, a Delaware limited liability company (the "**Issuer**"), agrees with each of the Purchasers (as defined in Schedule B) and Wilmington Trust, National Association, as administrative agent for the holders and as collateral agent for the Secured Parties (in such capacities, together with its successors and permitted assigns, the "**Collateral Agent**") as follows:

SECTION 1. AUTHORIZATION OF NOTES.

The Issuer will authorize the issue and sale of $300,000,000 aggregate principal amount of its Senior Notes due October 27, 2027 (the "**Notes**"). The Notes shall be substantially in the form set out in Exhibit 1. Certain capitalized and other terms used in this Agreement are defined in Schedule B and, for purposes of this Agreement, the rules of construction set forth in Section 23.4 shall govern.

SECTION 2. SALE AND PURCHASE OF NOTES; SECURITY.

2.1 **Issuance of Notes**. Subject to the terms and conditions of this Agreement, the Issuer will issue to each Purchaser, at the direction of ECRCH, in accordance with Section 3, and each Purchaser will receive from the Issuer, in each case as part of the Conversion Transactions, at the Closing provided for in Section 3, Notes in the principal amount specified opposite such Purchaser's name in Schedule A, in exchange for ECRCH transferring to the Issuer: (a) 43% of the Class B Preferred Units in Elk Hills Power not held by CRC; (b) 43% of the Class A Common Units in Elk Hills Power not held by CRC; and (c) 43% of the Class C Common Units in Elk Hills Power not held by CRC (clauses (a), (b) and (c), collectively, the "**Ares Interests**"), in each case, at the Closing. The Purchasers' obligations hereunder are several and not joint obligations and no Purchaser shall have any liability to any Person for the performance or non-performance of any obligation by any other Purchaser hereunder.

2.2 **Security for the Notes**. The Obligations of the Issuer hereunder and under the Notes are secured by the Collateral pursuant to and in accordance with the Security Documents.

SECTION 3. CLOSING.

The issuance of the Notes to be received by each Purchaser shall occur at the offices of Sullivan & Cromwell LLP, 125 Broad Street, New York, NY 10004, at 9:30 a.m., New York time, at a closing (the "**Closing**") on October 27, 2020 or on such other Business Day thereafter as may be agreed upon by the Issuer and the Purchasers. At the Closing, (a) ECRCH will deliver the Ares Interests to the Issuer, and (b) the Issuer will deliver to each Purchaser, at the direction of ECRCH, the Notes to be exchanged for the Ares Interests, in the form of a single Note (or such greater number of Notes in denominations of at least $100,000 as such Purchaser may request) dated the Closing Date and registered in such Purchaser's name (or in the name of its nominee). The parties hereto agree and acknowledge that (i) the issuance and receipt of the Notes to occur at the Closing is part of the Conversion Transactions, and that the only consideration to be paid by ECRCH for the Notes in connection herewith is the exchange of the Ares Interests held by ECRCH, and (ii) the transfer of the Ares Interests to the Issuer contemplated by this Agreement is being made in accordance with the Settlement Agreement and the Elk Hills JV Agreement and, upon the Closing, ECRCH will cease to be a Member (as defined in the Elk Hills JV Agreement) of Elk Hills Power.

SECTION 4. CONDITIONS TO CLOSING.

The occurrence of the Closing is subject to the fulfillment, to the reasonable satisfaction of the Purchasers (unless waived in writing by the Purchasers), prior to or at the Closing, of the following conditions:

4.1 Representations and Warranties. The representations and warranties of each Issuer Party in the Note Documents to which it is a party shall be true and correct in all material respects when made on the Closing Date (unless such representation or warranty relates solely to an earlier date, in which case it shall have been true and correct in all material respects as of such earlier date).

4.2 Performance, No Default. Each of the Issuer Parties shall have performed and complied with all agreements and conditions contained in each Note Document to which it is party required to be performed or complied with by it prior to or at the Closing. After giving effect to the issue and receipt of the Notes at Closing, no Default or Event of Default shall have occurred and be continuing.

4.3 Compliance Certificates.

(a) *Officer's Certificate*. Each of the Issuer Parties shall have delivered to the Collateral Agent and each Purchaser (or its representative) an Officer's Certificate, dated the Closing Date, certifying that the conditions specified in Sections 4.1, 4.2 and 4.4 have been fulfilled.

(b) *Secretary's Certificate*. Each of the Issuer Parties shall have delivered to the Collateral Agent and each Purchaser (or its representative) a certificate of its Secretary or Assistant Secretary or, if applicable, a managing member of such Issuer Party, dated the date of the Closing Date, (i) certifying as to the resolutions attached thereto and other limited liability company proceedings relating to the authorization, execution and delivery of the Note Documents to which

it is a party, (ii) certifying as to such Issuer Party's organizational documents as then in effect, (iii) certifying as to the incumbency and specimen signature of each officer, member or director (as applicable) of such Issuer Party executing the Note Documents to which such Issuer Party is a party, and (iv) attaching a certificate of good standing issued in respect of such Issuer Party by the applicable Governmental Authority of the respective jurisdiction of organization or formation of such Issuer Party and, in the case of the Issuer, with respect to its qualification to do business in California.

(c) *Solvency Certificate*. Each Purchaser (or its representative) and the Collateral Agent shall have received a certificate, dated as of the Closing Date, from each of the Issuer Parties, signed by a Responsible Officer of such Issuer Party, in each case substantially in the form of Exhibit 4.3(c).

4.4 Changes in Corporate Structure. None of the Issuer Parties shall have changed its jurisdiction of incorporation or organization, as applicable, or been a party to any merger or consolidation or succeeded to all or any substantial part of the liabilities of any other entity, at any time following the date of the most recent financial statements referred to in Section 4.7, except in connection with the Conversion Transactions and the transactions contemplated under the Notes Documents.

4.5 Opinions of Counsel. Each Purchaser (or its representative) and the Collateral Agent, shall have received customary opinions in form and substance satisfactory to the Purchasers, dated the Closing Date, from Sullivan & Cromwell LLP, special New York counsel for the Issuer Parties in connection with the transactions contemplated under the Note Documents and the Easement, and Day Carter Murphy LLP, special California counsel for the Issuer.

4.6 Annual Operating Budget. Each Purchaser (or its representative) shall have received the Annual Operating Budget for the year ending December 31, 2020, which is attached hereto as Schedule 4.6.

4.7 Financial Statements. Each Purchaser (or its representative) shall have received copies of CRC's audited consolidated financial statements for the fiscal year ended December 31, 2019.

4.8 Note Documents. Each Purchaser (or its representative) and the Collateral Agent shall have received this Agreement and all other Note Documents (other than any such other Note Document not required to be executed as of the Closing pursuant to the terms of this Agreement), duly authorized, executed and delivered by the Issuer, Holdings, the Purchasers and the Collateral Agent (in each case, to the extent party thereto) and by any other parties thereto.

4.9 Material Project Documents.

(a) Each Purchaser (or its representative) and the Collateral Agent shall have received true, complete and correct copies of the Sponsor Support Agreement in effect on the Closing Date, and any existing supplements or amendments thereto, and the Sponsor Support Agreement shall have been duly authorized, executed and delivered by the parties thereto and shall be in full force and effect and shall be certified by a Responsible Officer of the Issuer as being

true, complete and correct and in full force and effect with all conditions precedent thereto having been satisfied on the Closing Date, such delivery to such Purchaser (or its representative) to be accompanied by a certificate of a Responsible Officer of the Issuer, that no party to the Sponsor Support Agreement is, or but for the passage of time or giving of notice or both would be, in breach or default of any obligation thereunder that is continuing.

(b) Each Purchaser (or its representative) and the Collateral Agent shall have received true, complete and correct copies of each Material Project Document and, in all material respects, each Real Property Document, in effect on the Closing Date, and any existing supplements or amendments thereto, such documents shall have been duly authorized, executed and delivered by the parties thereto and shall be in full force and effect.

4.10 Lien Searches; Docket Searches. Each Purchaser (or its representative) shall have received (a) the results of a recent lien search (but in no event more than thirty (30) days prior to the Closing Date) in the jurisdiction of formation of each of the Issuer Parties and in each of the jurisdictions where assets of each such Person are located, and such searches shall reveal no Liens on (i) any of the assets of the Issuer and Elk Hills Power except for Permitted Liens or Liens discharged on or prior to the Closing Date pursuant to documentation reasonably satisfactory to the Purchasers and (ii) any of the Equity Interests pledged by Holdings and the Issuer pursuant to the Pledge Agreement or the Security Agreement, as applicable, and (b) the results of recent litigation, judgment and docket searches (but in no event more than thirty (30) days prior to the Closing Date), reasonably satisfactory to the Purchasers, for each of the jurisdictions in which any of the Issuer Parties has a main place of business.

4.11 Mortgages. The Collateral Agent (for the benefit of each Purchaser) shall have received the Mortgage with respect to the Mortgaged Property, executed and delivered by a Responsible Officer of Elk Hills Power.

4.12 Perfection of Security Interests.

(a) Each document (including the Closing Date UCC Financing Statement) required by the Security Documents or under law to be filed, registered or recorded in order to create in favor of the Collateral Agent, for the benefit of the Secured Parties, a valid and perfected Lien on the Collateral described therein, prior and superior in right to any other Person (subject only to Permitted Liens that, pursuant to applicable law, are entitled to a higher priority than the Lien of the Collateral Agent) shall have been filed, registered or recorded in the applicable filing office (or shall be in form suitable to be filed, registered or recorded in the applicable office promptly after the Closing).

(b) The Collateral Agent shall have received the original executed membership interest certificates representing (i) 100% of the Equity Interests in the Issuer pledged pursuant to the Pledge Agreement, together with an undated transfer power for such membership interest certificate and proxy executed in blank by a duly authorized officer of Holdings and (ii) 100% of the Equity Interests in Elk Hills Power pledged pursuant to the Security Agreement, together with an undated transfer power for such membership interest certificate and proxy executed in blank by a duly authorized officer of the Issuer; and

(c) Each Purchaser (or its representative) shall have received evidence that all filing, recordation, subscription and inscription fees and all recording and other similar fees, and all recording, stamp and other Taxes and other expenses related to the filings, registrations and recordings necessary for and related to the transactions contemplated by this Agreement and the other Note Documents to be consummated on or prior to the Closing Date have been paid in full (to the extent the obligation to make such payment then exists) by or on behalf of the Issuer or are to be paid in full on the Closing Date.

4.13 Insurance Deliverables. All insurance for the Project required to be obtained pursuant to the Insurance Program shall have been obtained, and shall be in full force and effect and the premiums then due and payable thereon shall have been paid. Each Purchaser (or its representative) and the Collateral Agent shall have received certificates signed by the insurer or a broker authorized to bind the insurer, together with sole loss payee endorsements in favor of the Collateral Agent, evidencing such insurance required pursuant to the Insurance Program, identifying insurers, the type of insurance, and the insurance limits, and stating that (a) such insurance is, in each case, in full force and effect and (b) that all premiums then due and payable on such insurance have been paid, and such deliverables shall be in form and substance satisfactory to the Purchasers.

4.14 Accounts Elk Hills Power shall have established each account required to be established on or before the Closing Date in accordance with Section 9.14.

4.15 Consent and Agreement. The Collateral Agent shall have received a fully-executed consent and agreement, in the form attached hereto at Exhibit 4.15, in favor of the Collateral Agent with respect to the Sponsor Support Agreement.

4.16 USA Patriot Act. The Issuer Parties shall have delivered to each Purchaser (or its representative) and the Collateral Agent all such documentation and information reasonably requested in writing by such Person at least ten (10) Business Days prior to the Closing Date that are necessary (including the names and addresses of each Issuer Party) for the Purchasers and the Collateral Agent to identify each Issuer Party in accordance with the requirements of the USA Patriot Act (including the "know your customer" and similar regulations thereunder).

4.17 Sale of Other Notes. Contemporaneously with the Closing, the Issuer shall issue to each other Purchaser and each other Purchaser shall acquire the Notes to be exchanged by it at the Closing as specified in Schedule A.

4.18 Purchase Permitted By Applicable Law, Etc. On the Closing Date, each Purchaser's acquisition of the Notes shall (a) be permitted by the laws and regulations of each jurisdiction to which such Purchaser is subject, (b) not violate any applicable law or regulation (including Regulation T, U or X of the Board of Governors of the Federal Reserve System) and (c) not subject such Purchaser to any Tax, penalty or liability under or pursuant to any applicable law or regulation, which law or regulation was not in effect on the date hereof. If requested by any Purchaser at least three (3) Business Days prior to the Closing Date, such Purchaser shall have received an Officer's Certificate certifying as to such matters of fact as such Purchaser may reasonably specify to enable such Purchaser to determine whether such purchase is so permitted.

4.19 Real Estate Documentation. CRC shall have granted to Elk Hills Power a non-exclusive easement in the form attached hereto at Exhibit 4.19(a) (the "**Easement**"), which Easement shall grant to Elk Hills Power rights to use and occupy the LTS Parcels. A memorandum of such Easement in the form attached hereto as Exhibit 4.19(b) shall be recorded promptly upon its execution in accordance with Paragraph 1 of the Easement.

4.20 Payment of Fees.

(a) Without limiting Section 15.1, the Issuer shall have paid on or before the Closing (a) the fees, charges and disbursements of the Purchasers' special counsel to the extent reflected in a statement of such counsel rendered to any Issuer Party at least three (3) Business Days prior to the Closing, (b) the fees, charges and disbursements of the Collateral Agent to the extent reflected in a statement of such Person rendered to any Issuer Party at least three (3) Business Days prior to the Closing and (c) all other fees and expenses then due and payable by the Issuer Parties pursuant to the Note Documents to the extent reflected in a statement of the applicable payee rendered to any Issuer Party at least three (3) Business Days prior to the Closing Date, and

(b) the Collateral Agent shall have received a fully executed copy of the Collateral Agent Fee Letter, and payment of the fees payable thereunder as of the Closing Date.

4.21 Flood Certificate. The Collateral Agent shall have received: (i) a completed Flood Certificate with respect to each parcel of Project Property upon which improvements are located ("**Improved Project Property**"), which Flood Certificate shall (A) be completed by a company which has guaranteed the accuracy of the information contained therein and (B) otherwise comply with the Flood Program; (ii) evidence describing whether each community in which any Improved Project Property is located participates in the Flood Program; (iii) if the Flood Certificate delivered pursuant to clause (i) hereof states that any portion of any Improved Project Property is located in a Flood Zone, then the Issuer's written notification to the Collateral Agent (A) as to the existence of such affected Improved Project Property, and (B) as to whether the community in which such affected Improved Project Property is located is participating in the Flood Program; and (iii) if any portion of any Improved Project Property is located in a Flood Zone and is located in a community that participates in the Flood Program, evidence that each of the Issuer and Elk Hills Power, as applicable, have obtained a policy of flood insurance that is in compliance with all applicable regulations of the Board of Governors of the Federal Reserve System.

SECTION 5. REPRESENTATIONS AND WARRANTIES OF THE ISSUER.

The Issuer represents and warrants to and in favor of each Purchaser and the Collateral Agent that each of the following representations and warranties are true and correct as of the Closing Date and as of any other date (or, if stated to be made solely as of an earlier date, such earlier date) on which representations and warranties are stated to be made pursuant to this Agreement or any other document delivered hereunder, subject, in each case, to the information and exceptions set forth on the disclosure schedules attached hereto:

5.1 Private Offering by the Issuer. Neither the Issuer, Elk Hills Power nor any Person authorized by the Issuer to act on its behalf has offered the Notes or any similar Securities for sale

to, or solicited any offer to buy the Notes or any similar Securities from, or otherwise approached or negotiated in respect thereof with, any Person, other than the Purchasers, each of which has been offered the Notes at a private sale for investment. Neither the Issuer nor anyone acting on its behalf has taken, or will take, any action that would subject the issuance or sale of the Notes to the registration requirements of section 5 of the Securities Act or to the registration requirements of any Securities or blue sky laws of any applicable jurisdiction.

5.2 **Existence; Compliance with Laws**. Each of the Issuer and Elk Hills Power (a) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (b) is duly qualified as a foreign corporation or other organization and in good standing under the laws of each jurisdiction in which such qualification is required by law, other than those jurisdictions as to which the failure to be so qualified or in good standing could not reasonably be expected to have a Material Adverse Effect, and (c) is in compliance in all material respects with its Organizational Documents. Each of the Issuer and Elk Hills Power has the limited liability company power and authority to own or hold under lease or easement the properties it purports to own or hold under lease or easement, to transact the business it transacts and proposes to transact, to execute and deliver the Note Documents to which it is a party, and to perform the provisions hereof and thereof.

5.3 **Power; Authorization; Enforceable Obligations; No Conflicts**. This Agreement, the Real Property Documents, the other Note Documents and the Material Project Documents to which each Issuer Party is a party have been, or prior to their execution will be, duly authorized by all necessary limited liability company action on the part of such Issuer Party, and this Agreement, each other Note Document, each Real Property Document and each Material Project Document to which such Issuer Party is a party constitutes, or upon execution and delivery thereof will constitute, a legal, valid and binding obligation of such Issuer Party, enforceable against such Issuer Party in accordance with its terms, except as such enforceability may be limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law). Neither any Issuer Party's execution and delivery of any Note Document nor performance thereof, (i) is in conflict with or results in a breach of any such Person's Organizational Documents, (ii) violates any other Legal Requirement applicable to or binding on such Person or any of its respective properties, except for any such violation of a Legal Requirement that could not reasonably be expected to have a Material Adverse Effect, (iii) is in conflict with or results in a breach of any material provision of any Material Project Document or any Real Property Document, but excluding any conflict or breach that could not reasonably be expected to have a Material Adverse Effect or (iv) is in conflict with or results in a breach of any material provision of any CRC Debt Agreement or the Sponsor Support Agreement. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with (A) the execution, delivery or performance by, or enforcement against, the Issuer of this Agreement or any other Note Document to which any Issuer Party is a party or (B) the offer, sale or issuance of the Notes, in each case except (1) filings and recordings required in order to perfect or otherwise protect the security interests under the Security Documents, (2) any consents or approvals required in connection with a disposition of collateral or the exercise of remedies under the Note Documents, including compliance with federal and state securities laws in connection with any sale of any portion of the Collateral consisting of securities under such

securities laws and (3) those consents, approvals, authorizations, registrations, declarations and filings that have been obtained or made on or prior to the date hereof.

5.4 Lines of Business; Equity Interests.

(a) Elk Hills Power has not engaged in any business, except for (a) the acquisition, ownership, development, construction, financing, operation and maintenance of the Project and (b) those businesses that are reasonably related thereto or reasonable extensions thereof. The Issuer has not engaged in any business, except for owning 100% of the Equity Interest of Elk Hills Power, entry into and performance of the Loan Documents and those businesses that are reasonably related thereto or reasonable extensions thereof.

(b) Holdings owns 100% of the Equity Interests of the Issuer. Other than with respect to the Issuer, Holdings has no Subsidiaries and owns no Equity Interests in any other Person. The Issuer owns 100% of the Equity Interests of Elk Hills Power. Other than with respect to Elk Hills Power, the Issuer has no Subsidiaries and owns no Equity Interests in any other Person. Elk Hills Power has no Subsidiaries and owns no Equity Interests in any other Person.

5.5 Litigation. Except as set forth on Schedule 5.5, no litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of the Issuer, threatened in writing against any of the Issuer Parties or against or in respect of the Issuer Parties' respective Properties that seeks to impair, restrain prohibit or invalidate the transactions contemplated by the Note Documents or that otherwise could reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

5.6 Financial Statements. The Issuer has delivered to the Collateral Agent (for distribution to the holders) copies of the financial statements as required by Section 4.7. All such financial statements (including in each case the related schedules and notes) fairly present in all material respects the financial position of CRC and its Subsidiaries, including the Issuer Parties, on a consolidated basis as of the date thereof and have been prepared in accordance with GAAP consistently applied throughout the periods involved, except as set forth in the notes thereto.

5.7 Ownership of Property, Liens. Elk Hills Power (a) holds and will maintain, good, marketable and fee simple title to, or valid leasehold or easement or sub-easement interests in, all Project Properties, including the Mortgaged Properties (other than appurtenant easements with respect to transmission and gathering lines, with respect to which it holds and will maintain in all material respects, good, marketable and fee simple title to, or valid leasehold or easement or sub-easement interests in), subject only to Permitted Liens, (b) has good and lawful right to mortgage, assign, transfer and convey all Mortgaged Property and (c) has not agreed or consented to cause or permit any of its property, whether now owned or hereafter acquired, to be subject to a Lien or to cause or permit in the future (upon the happening of a contingency or otherwise) any of its property, whether now owned or hereafter acquired, to be subject to a Lien, in each case other than Permitted Liens. The Mortgaged Property subject to the Ground Leases and the Easement collectively contains all of the rights, interest and property necessary to operate the Project as contemplated by the Sponsor Support Agreement and the Material Project Documents. Elk Hills Power has not received any written notice of, nor does it have any knowledge of, any pending or threatened condemnation proceeding affecting the Project Properties including the Mortgaged

Property or any sale or disposition thereof in lieu of condemnation. As of the Closing Date, all Project Properties are listed on Schedule 1.1B.

5.8 Taxes. All Material Tax returns required to have been filed by or with respect to the Issuer and Elk Hills Power have been filed and all such Tax returns are accurate and complete in all material respects. All Taxes due and payable by or with respect to the Issuer and Elk Hills Power have been paid (other than any such Taxes the nonpayment of which would be permitted by Section 9.1). There are no Material Liens for Taxes against any assets or properties of the Issuer or Elk Hills Power, other than Liens for any Taxes contested in accordance with Section 9.1. As of the Closing Date, no Tax return of the Issuer is under material audit or examination by any Governmental Authority, and no written notice of any audit or examination or any assertion of any claim for any material amount of Taxes against the Issuer or Elk Hills Power has been given or made by any Governmental Authority. Neither the Issuer nor Elk Hills Power is party to any Tax sharing agreement (except in the case of a contract entered into in the ordinary course of business not related primarily to Taxes). Each of the Issuer and Elk Hills Power is and has since formation been classified as either a partnership or an entity disregarded as separate from its owner for U.S. federal income Tax purposes.

5.9 Applicable Permits.

(a) Part A of Schedule 5.9 constitutes a complete and accurate list of all material Applicable Permits.

(b) Except in each case as could not reasonably be expected to have a Material Adverse Effect, each Applicable Permit has been issued to Elk Hills Power, is in full force and effect and is not subject to appeal (and all applicable appeal periods have expired or terminated) and is not subject to any proceedings or to any unsatisfied conditions (required to be satisfied as of the date this representation and warranty is made) that could reasonably be expected to allow any material modification, suspension or revocation of such Applicable Permit.

(c) Elks Hills Power is in compliance in all material respects with all Applicable Permits.

(d) Other than as described in Part B of Schedule 5.9, no material action, suit, investigation or proceeding (including administrative or judicial appeal, or modification) at law or in equity or by or on behalf of any Governmental Authority or in arbitration has been served in writing against Elk Hills Power alleging any failure to comply with any Applicable Permit. There is no event or circumstance that could reasonably be expected to materially and adversely affect the Elk Hills Power's ability to timely renew or replace each Applicable Permit, or obtain each new Applicable Permit required in the future, without material cost, difficulty or delay prior to such time, if any, as such renewal or replacement or new Applicable Permit will be required.

5.10 Material Project Documents.

(a) Correct and complete copies of the Sponsor Support Agreement and all Material Project Documents in effect on the Closing Date, all other agreements entered into by any Issuer Party that would constitute an Additional Project Document (but for the fact that such

agreement is in effect on the Closing Date) and all Real Property Documents have been delivered to the Collateral Agent (or its representative) by the Issuer. Except as has been previously disclosed in writing to the Collateral Agent or the Purchasers (or their representatives) as of the Closing Date and thereafter to the extent required pursuant to this Agreement, none of the Sponsor Support Agreement, the Material Project Documents or the Real Property Documents have been amended, modified or terminated in any material respect. The Sponsor Support Agreement, each Material Project Document and each Real Property Document is in full force and effect and neither Elk Hills Power nor, to the Issuer's knowledge (except with respect to the Sponsor Support Agreement), any other party thereto, is in material breach or default thereunder.

(b) As of the Closing Date, the rights granted to Elk Hills Power pursuant to the Sponsor Support Agreement, the Material Project Documents and the Real Property Documents are sufficient in all material respects to enable the Project to be located, operated and routinely maintained in all material respects as contemplated by the Operative Documents.

5.11 **Federal Reserve Regulations**. No part of the proceeds of the Notes will be used, directly or indirectly, for the purpose of buying or carrying any margin stock within the meaning of Regulation U of the Board of Governors of the Federal Reserve System (12 CFR 221), or for the purpose of buying or carrying or trading in any Securities under such circumstances as to involve the Issuer in a violation of Regulation X of said Board (12 CFR 224) or to involve any broker or dealer in a violation of said Board (12 CFR 220). Margin stock does not constitute more than 0% of the value of the assets of the Issuer and the Issuer does not have any present intention that margin stock will constitute more than 0% of the value of such assets. As used in this Section 5.11, the terms "margin stock" and "purpose of buying or carrying" shall have the meanings assigned to them in said Regulation U.

5.12 **ERISA**. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, could reasonably be expected to result in a Material Adverse Effect. No Lien against any of the Issuer Parties under Section 4068 of ERISA or Section 430(k) of the Code in favor of the PBGC, any Pension Plan or any Multiemployer Plan currently exists or could reasonably be expected to be incurred. The present value of all accumulated benefit obligations under each Pension Plan (based on the assumptions used for purposes of Statement of Financial Accounting Standards No. 87) did not, as of the date of the most recent financial statements reflecting such amounts, exceed the fair market value of the assets of such Pension Plan by an amount that could reasonably be expected to result in a Material Adverse Effect. No Issuer Party sponsors, maintains or contributes to any Pension Plan, Multiemployer Plan, or Foreign Plan. No Issuer Party is, or could reasonably be expected to be, subject to any liability (i) under Title IV of ERISA with respect to any Pension Plan (other than required premium payments) or Multiemployer Plan or (ii) under other applicable law with respect to any Foreign Plan, including in either case, relating to an ERISA Affiliate, except in each case as would not reasonably be expected to result in a Material Adverse Effect.

5.13 **Investment Company Act**. Neither the Issuer not Elk Hills Power is subject to regulation under, or an "investment company," or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940 (the "**Investment Company Act**").

5.14 Energy Regulatory Status.

(a) Neither the Issuer, nor Elk Hills Power is subject to, or not exempt from, regulation under PUHCA as an "electric utility company" or a "holding company" (except, (i) with respect to Elk Hills Power, as an electric utility company that is a QF and (ii) with respect to the Issuer, as a holding company solely with respect to its ownership of a QF).

(b) The Project does not include any facilities for the generation, transmission, or distribution of electricity, nor the distribution of natural gas, except for the Elk Hills Plant (which, for purposes of this Section 5.14, shall include the 2C twelve inch natural gas fuel line connected to the Elk Hills Plant and the Buttonwillow electric transmission and distribution system). For avoidance of doubt, natural gas processing and gathering shall not be deemed as the distribution of gas hereunder. Elk Hills Power is certified as a QF and is in compliance with and is not in violation of the requirements of FERC thereunder, including the requirements of 18 C.F.R. Part 292 Subpart F. The Elk Hills Plant's QF status was the subject of a petition for waiver that was filed with FERC in Docket Nos. EL18-28 and QF12-252, which petition was granted by FERC. Apart from such petition, the status of the Elk Hills Plant as a QF is not the subject of any pending or, to the knowledge of the Issuer or Elk Hills Power, threatened, judicial or administrative proceeding to revoke or modify such status. Elk Hills Power holds all of the exemptions from regulation that are set forth in 18 C.F.R. Part 292 Subpart F, except for exemption from Sections 205 and 206 of the FPA. Elk Hills Power holds MBR Authority and is in compliance with and is not in violation of the requirements of FERC thereunder. Such MBR Authority is not the subject of any pending or, to the knowledge of the Issuer or Elk Hills Power, threatened, proceeding by or before FERC to revoke or modify such authority. Elk Hills Power is not the subject(s) of any actual, pending, or threatened complaint, notice, proceeding or investigation under 18 C.F.R. Part 1b or Part 1c.

(c) None of the Purchasers, the Collateral Agent or any "affiliate" (as that term is defined in Section 1262(1) of PUHCA) of such Persons will, solely as a result of Elk Hills Power's ownership and operation of the Project, Elk Hills Power's sale of energy, capacity or ancillary services therefrom, Elk Hills Power's provision of natural gas processing and related services from the Project, the issuing of the Notes hereunder (or the use of proceeds thereof), the entering into of the Note Documents or any transaction contemplated hereby or thereby, be subject to, or not exempt from, regulation under the FPA, NGA or PUHCA as an "electric utility company", "gas utility company", "holding company", or "natural gas company" under PUHCA or under state laws and regulations respecting the rates or the financial or organizational regulation of electric utilities, gas utilities, and natural gas companies, except that upon the exercise of certain remedies as provided for under the Note Documents that results in the direct or indirect ownership, operation or control by any Secured Party or any of its successors or assigns or its affiliates of Elk Hills Power or the Project or the sales of power therefrom, a Secured Party or its affiliate may be subject to regulation under the FPA, NGA or PUHCA.

5.15 Environmental Matters. Except for such matters that would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect or that are identified on Schedule 5.15:

(a) Each of the Issuer and Elk Hills Power is and has since January 1, 2017 been in compliance with all, and has no liability (contingent or otherwise) under any, Environmental Laws (including with respect to the existing contamination by Materials of Environmental Concern at, on, under, and around the Project Properties), and neither the Issuer nor Elk Hills Power has received any notice, report, or other information of any, and, to the knowledge of the Issuer there is no, violation of, non-compliance with, or liability (contingent or otherwise) under any Environmental Laws with regard to any of the Project Properties or the Project;

(b) (i) to the knowledge of the Issuer or Elk Hills Power, Materials of Environmental Concern have not been transported to or from or disposed of from the Project Properties in violation of, or in a manner or to a location that could give rise to liability (contingent or otherwise) under, any Environmental Law, and (ii) Materials of Environmental Concern have not been generated, treated, stored, transported, handled, disposed of, arranged for disposal, Released, or exposed to any Person by Elk Hills Power or, to the knowledge of the Issuer or Elk Hills Power, at, on or under any of the Project Properties or the Project, in violation of, or so as to give rise to liability (contingent or otherwise) under, any Environmental Law;

(c) no judicial proceeding or governmental or administrative action is pending or, to the knowledge of Issuer, threatened under any Environmental Law to which the Issuer or Elk Hills Power is or is expected to be named as a party or with respect to the Project Properties or the Project, nor are there any consent decrees or other decrees, consent orders, administrative orders or other orders outstanding under any Environmental Law with respect to Issuer, Elk Hills Power, the Project Properties or the Project; and

(d) none of the Project Properties or the Project is subject to any Lien, other than Permitted Liens, imposed pursuant to Environmental Laws.

5.16 Disclosure.

(a) As of the Closing Date, no statement or information contained in this Agreement, any other Note Document or any other written report, document, certificate or written statement furnished by or on behalf of the Issuer or Elk Hills Power or, to the Issuer's knowledge, at the request of the Issuer or Elk Hills Power to any Purchaser, the Collateral Agent any other Secured Party, for use in connection with the transactions contemplated by this Agreement or the other Note Documents, taken as a whole, when furnished, contained as of the date such statement, information, report, document or certificate was so furnished (taking into account any updated or supplemental information), any untrue statement of a material fact or omitted to state a material fact necessary to make the statements contained herein or therein not materially misleading in light of the circumstances in which such statements were made; provided, however, that no representation or warranty is made under this Section 5.16(a) with respect to any projections or other forward looking statements provided by or on behalf of the Issuer (including the Annual Operating Budget).

(b) As of the Closing Date, the Issuer has prepared the Annual Operating Budget in good faith on the basis of assumptions believed by the Issuer to be reasonable in light of the conditions existing at the time of delivery, it being recognized by the Purchasers that such

information as it relates to future events is not to be viewed as fact or a guarantee of financial performance, and that actual results during the period or periods covered by such information may differ from the projected results set forth therein by a material amount.

5.17 Security Documents.

(a) The Security Agreement and the Pledge Agreement are each effective to grant to the Collateral Agent, for the benefit of the Secured Parties, a legal, valid and enforceable Lien on all of the Collateral purported to be covered thereby (subject only to Permitted Liens). The security interests granted to the Collateral Agent (for the benefit of the Secured Parties) pursuant to the Security Documents in the Collateral consisting of personal property subject to the UCC will be perfected (i) with respect to any property that can be perfected by filing under the UCC, upon the filing of UCC financing statements specified in Part A of Schedule 5.17 hereto in the filing offices identified in Part A of Schedule 5.17 hereto, (ii) with respect to the Pledged Collateral described in each of the Security Agreement and the Pledge Agreement consisting of certificated securities or instruments, upon delivery to the Collateral Agent of any certificates evidencing the certificated securities and any instruments required to be delivered pursuant to the Pledge Agreement, duly endorsed or accompanied by duly executed stock powers or other instruments or transfer and (iii) with respect to any property (if any) that can be perfected solely by possession, upon the Collateral Agent receiving possession thereof. To the extent required by the Security Documents, the Issuer Parties have delivered or caused to be delivered, or provided control of, to the Collateral Agent, all Collateral in respect of which perfection of the Lien described above may be obtained by control, and in each case such security interest will be, as to Collateral perfected under the UCC, first priority, in each case subject only to Permitted Liens.

(b) The Mortgage is effective to create in favor of the Collateral Agent, for the benefit of the Secured Parties, a legal, valid and enforceable first-priority Lien of record on the Mortgaged Properties described therein and the proceeds thereof and, when the Mortgage is filed in the office specified on Part B of Schedule 5.17, the Mortgage shall constitute a perfected, first-priority Lien on, and security interest in, all right, title and interest of Elk Hills Power in the Mortgaged Properties and the proceeds thereof, as security for the Obligations (as defined in the Mortgage) in favor of the Collateral Agent for the benefit of the Secured Parties, in each case, prior and superior in right to any other Person except Permitted Liens. Schedule 1.1D lists, as of the Closing Date, each material Real Property Document.

5.18 Solvency. On the Closing Date, the Issuer Parties are, and after giving effect to the transactions contemplated by this Agreement, the incurrence of Indebtedness in connection therewith and the use of proceeds of such Indebtedness, will be Solvent.

5.19 Indebtedness. Neither the Issuer nor Elk Hills Power has any outstanding Indebtedness or other liabilities other than pursuant to or allowed by the Note Documents.

5.20 Insurance. Each of the Issuer and Elk Hills Power maintains the insurance required to be maintained by it in accordance in all material respects with the Insurance Program and such insurance is in full force and effect, all premiums due thereon have been paid and, except with respect to policies that have been replaced with other policies in accordance with this Agreement,

no written notice from any insurer or its representative as to any cancellation or reduction or other change in coverage has been received by the Issuer or Elk Hills Power, as applicable.

5.21 **USA PATRIOT Act**. Neither the Issuer nor Elk Hills Power is in violation in any material respect of any United States Legal Requirement relating to terrorism, sanctions or money laundering, including the United States Executive Order No. 13224 on Terrorist Financing and the USA PATRIOT Act.

5.22 **Sanctions, Anti-Corruption Laws, Etc.** None of the Issuer Parties (i) is a Sanctioned Person or is operating, organized or resident in a Sanctioned Country, (ii) has any commercial dealings with, or investments in, any Sanctioned Country or Sanctioned Person in violation of any applicable Legal Requirement, (iii) is in violation, in any material respect, of Anti-Money Laundering Laws or Anti-Corruption Laws, (iv) has made any unlawful offer, payment, promise to pay or authorization or approval of the payment of any money, or other property, gift, promise to give or authorization of the giving of anything of value, directly or knowingly indirectly, to any Person, including any "foreign official" (as such term is defined in the FCPA), to obtain or retain business, to direct business to any Issuer Party or to any other Person, to influence any act or decision of any such "foreign official" in his or her official capacity, in each case in connection in any way with this Agreement or any other Operative Document and in violation of any Anti-Corruption Laws or (v) is the subject of any action or investigation by any Governmental Authority under any Sanctions or Anti-Money Laundering Laws.

5.23 **Intellectual Property**. Each Issuer Party owns, or is licensed or has rights to use, all material Intellectual Property currently used in its business as currently conducted. No Issuer Party has received from any third party a claim in writing that it is infringing in any material respect the Intellectual Property of such third party. The use of Intellectual Property by each Issuer Party does not infringe on the rights of any Person in any material respect.

5.24 **Financial Advisors**. No Issuer Party has retained any broker, finder or financial advisor in connection with the transactions contemplated by the Note Documents, except as set forth on Schedule 5.24. Neither the Issuer nor any Affiliate of the Issuer has taken any action, the effect of which would be to cause any holder of a Note to be liable for any brokers', finders' or agents fees or commissions or cost of any nature or kind claimed by or on behalf of brokers, finders or agents in respect of the transactions contemplated by the Note Documents, except, for the avoidance of doubt, with respect to costs due to the Persons identified on Schedule 5.24.

5.25 **No Material Adverse Effect**. As of the Closing Date, no event or circumstance that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect has occurred and is continuing.

5.26 **No Default**. No Default or Event of Default has occurred and is continuing.

5.27 **Land Not in a Special Flood Hazard Zone**. None of the Collateral or the Improved Project Properties including the Mortgaged Property includes improved real property that is or will be located in an area that has been identified by the Director of the Federal Emergency Management Agency as an area having special flood hazards and in which flood

insurance has been made available and is required under the National Flood Insurance Act of 1968, as amended.

SECTION 6. REPRESENTATIONS OF THE PURCHASERS.

6.1 Purchase for Investment. Each Purchaser severally represents that it is purchasing the Notes for its own account or for one or more separate accounts maintained by such Purchaser or for the account of one or more pension or trust funds and not with a view to the distribution thereof, provided that the disposition of such Purchaser's or their property shall at all times be within such Purchaser's or their control. Each Purchaser understands that the Notes have not been registered under the Securities Act and may be resold only if registered pursuant to the provisions of the Securities Act or if an exemption from registration is available, except under circumstances where neither such registration nor such an exemption is required by law, and that the Issuer is not required to register the Notes.

6.2 Source of Funds. Each Purchaser severally represents that at least one of the following statements is an accurate representation as to each source of funds (a "**Source**") to be used by such Purchaser to pay the purchase price of the Notes to be purchased by such Purchaser hereunder:

(a) the Source is an "insurance company general account" (as the term is defined in the United States Department of Labor's Prohibited Transaction Exemption ("**PTE**") 95-60) in respect of which the reserves and liabilities (as defined by the annual statement for life insurance companies approved by the NAIC (the "**NAIC Annual Statement**")) for the general account contract(s) held by or on behalf of any employee benefit plan together with the amount of the reserves and liabilities for the general account contract(s) held by or on behalf of any other employee benefit plans maintained by the same employer (or affiliate thereof as defined in PTE 95-60) or by the same employee organization in the general account do not (and will not, throughout the holding of the Notes) exceed 10% of the total reserves and liabilities of the general account (exclusive of separate account liabilities) plus surplus as set forth in the NAIC Annual Statement filed with such Purchaser's state of domicile; or

(b) (i) the Source is either (A) an insurance company pooled separate account, within the meaning of PTE 90-1 and the conditions of PTE 90-1 are satisfied (and will continue to be satisfied throughout the holding of the Notes), or (B) a bank collective investment fund, within the meaning of the PTE 91-38 and the conditions of PTE 91-38 are satisfied (and will continue to be satisfied throughout the holding of the Notes), and, (ii) no employee benefit plan or group of plans maintained by the same employer or employee organization beneficially owns (or will own throughout the holding of the Notes) more than 10% of all assets allocated to such insurance company pooled separate account or bank collective investment fund; or

(c) the Source constitutes assets of an "investment fund" (within the meaning of Part VI of PTE 84-14, as amended (the "**QPAM Exemption**")) managed by a "qualified professional asset manager" or "QPAM" (within the meaning of Part VI of the QPAM Exemption), no employee benefit plan's assets that are managed by the QPAM in such investment fund, when combined with the assets of all other employee benefit plans established or maintained by the same employer or by an affiliate (within the meaning of Part VI(c)(1) of the QPAM Exemption) of such

employer or by the same employee organization and managed by such QPAM, represent (or will represent throughout the holding of the Notes) more than 20% of the total client assets managed by such QPAM, the conditions of Parts I(a), I(c) and (g) of the QPAM Exemption are satisfied and neither the QPAM nor a person controlling or controlled by the QPAM maintains an ownership interest in the Issuer that would cause the QPAM and the Issuer to be "related" within the meaning of Part VI(h) of the QPAM Exemption; or

(d) the Source constitutes assets of a "plan(s)" (within the meaning of Part IV(h) of PTE 96-23 (the "**INHAM Exemption**")) managed by an "in-house asset manager" or "INHAM" (within the meaning of Part IV(a) of the INHAM Exemption), the conditions of Part I(a), (g) and (h) of the INHAM Exemption are satisfied, neither the INHAM nor a person controlling or controlled by the INHAM (applying the definition of "control" in Part IV(d)(3) of the INHAM Exemption) owns (or will throughout the holding of the Notes own) a 10% or more interest in the Issuer and (i) the identity of such INHAM and (ii) the name(s) of the employee benefit plan(s) whose assets constitute the Source have been disclosed to the Issuer in writing pursuant to this clause (d) prior to the applicable Closing Date; or

(e) the Source is a governmental plan (as defined in Section 3 of ERISA) which is not subject to the provisions of Title I of ERISA or Section 4975 of the Code and the acquisition and holding of the Notes will not give rise to a violation of any state, local or other law that is similar to Section 406 of ERISA or Section 4975 of the Code; or

(f) the Source does not include "plan assets" within the meaning of the Department of Labor regulations located at 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA.

(g) As used in this Section 6.2, the terms "employee benefit plan," "governmental plan," and "separate account" shall have the respective meanings assigned to such terms in Section 3 of ERISA.

SECTION 7. INFORMATION AS TO COMPANY

7.1 Financial and Business Information. The Issuer Parties shall deliver to the Collateral Agent (for distribution to the holders):

(a) *Quarterly Statements*. Within sixty (60) days after the end of the first three quarterly fiscal periods in each fiscal year of CRC commencing with the first such quarterly period that ends after the Closing, copies of:

(i) The consolidated unaudited balance sheets of CRC as at the end of such quarter, and

(ii) the related consolidated unaudited statements of income and of cash flows of CRC for such quarter and the portion of the fiscal year through the end of such quarter,

setting forth, from and after the Closing Date, in each case in comparative form the figures for the corresponding periods in the previous fiscal year, all in reasonable detail, prepared in accordance

with GAAP applicable to quarterly financial statements generally, and certified by a Responsible Officer of the Issuer as fairly presenting, in all material respects, the financial position and results of operations of the Issuer (subject to normal year-end audit adjustments and lack of footnotes).

(b) *Annual Statements*. Within ninety (90) days after the end of each fiscal year of CRC, copies of:

(i) the consolidated audited balance sheet of CRC as at the end of such year, and

(ii) the related consolidated audited statements of income and cash flows of CRC for such year,

setting forth, from and after the Closing Date, in each case in comparative form the figures for the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP, and accompanied by an opinion thereon (without a "going concern" or similar qualification or exception and without any qualification or exception as to the scope of the audit on which such opinion is based (other than with respect to, or resulting from (x) the occurrence of an upcoming maturity date of any Indebtedness or (y) any prospective or actual default of any financial performance covenants in the CRC Debt Agreements)) of independent public accountants of recognized national standing, which opinion shall state that such financial statements present fairly, in all material respects, the financial position of the companies being reported upon and their results of operations and cash flows and have been prepared in conformity with GAAP, and that the examination of such accountants in connection with such financial statements has been made in accordance with generally accepted auditing standards, and that such audit provides a reasonable basis for such opinion in the circumstances.

(c) *CRC Financial Statements*. Concurrently with the deliveries required thereby, copies of all financial statements and information required to be delivered by CRC pursuant to Sections 9.1(a)-(e), (j), (k), (n), (q) and (r) of the CRC Debt Agreements, or any analogous provision therein.

(d) *Notice of Default or Event of Default*. Promptly, and in any event within five (5) days after a Responsible Officer acquires knowledge of (i) of the existence of any Default or Event of Default, (ii) the existence of any event of default pursuant to any CRC Debt Agreement or (iii) that any Person has given any notice or taken any action with respect to a claimed default hereunder or under any CRC Debt Agreement, a written notice specifying the nature and period of existence thereof and what action the Issuer is taking or proposes to take with respect thereto.

(e) *Event of Loss; Dispositions*. Promptly, and in any event within ten (10) Business Days after a Responsible Officer acquires knowledge thereof, notice of the occurrence of (i) any Event of Loss (without taking into account clauses (a) or (b) of the definition of Event of Loss), in each case, whether or not insured and involving a probable loss of $7,500,000 or more individually or $30,000,000 or more in the aggregate or (ii) any Disposition of Property of the Issuer giving rise, individually or in the aggregate, to proceeds in excess of $5,000,000; provided that the Issuer shall promptly, in each case if requested in writing by the Required Holders, provide

a statement of a Responsible Officer of the Issuer setting forth details of the occurrence referred to therein and stating what action the relevant Issuer Party proposes to take with respect thereto.

(f) *Employee Benefits Matters*. Promptly, and in any event within ten (10) Business Days after a Responsible Officer of Issuer acquires knowledge thereof, notice of the occurrence of the following events: (i) the occurrence of any ERISA Event that could reasonably be expected to result in a material liability to any of the Issuer Parties, specifying the nature thereof, what action the Issuer Party or any ERISA Affiliate has taken, is taking or proposes to take with respect thereto and, when known, any action taken or threatened by the Internal Revenue Service, the Department of Labor, the PBGC or other Governmental Authority with respect thereto; or (ii) the creation of any Lien under Section 4068 of ERISA or Section 430(k) of the Code on any assets of any of the Issuer Parties or any ERISA Affiliates in favor of the PBGC, a Pension Plan or any Multiemployer Plan; provided that the Issuer Party shall promptly, if requested in writing by a Purchaser or holder of a Note that is an Institutional Investor, by a statement of a Responsible Officer of the Issuer setting forth details of the occurrence referred to therein and stating what action the relevant Issuer Party proposes to take with respect thereto.

(g) *Material Adverse Effect*. Promptly, and in any event within five (5) Business Days after acquiring knowledge thereof, notice of the occurrence of any event or condition that has had or, based on Issuer's knowledge, would reasonably be expected to have a Material Adverse Effect accompanied by a statement of a Responsible Officer of the Issuer setting forth details of the occurrence referred to therein and stating what action the relevant Issuer Party proposes to take with respect thereto.

(h) *Sponsor Support Agreement; Material Project Documents; Real Property Documents*. Promptly, and in any event within five (5) Business Days after acquiring knowledge thereof, notice of (i) any termination or material amendment, modification or waiver of the Sponsor Support Agreement, any Material Project Document or any Real Property Document, (ii) any material breach or material default under the Sponsor Support Agreement, any Material Project Document or any Real Property Document, or (iii) any event of force majeure asserted under the Sponsor Support Agreement or any Material Project Document accompanied by a statement of a Responsible Officer of the Issuer setting forth details of the occurrence referred to therein and stating what action the relevant Issuer Party proposes to take with respect thereto.

(i) *Quarterly Operating Report*. Within thirty (30) days after the end of the first three fiscal periods in each fiscal year or forty five (45) days after the end of each fiscal year, a quarterly operating report for the immediately preceding fiscal quarter, in the form of Exhibit 7.1(i) or such other form reasonably acceptable to the Required Holders (in consultation with the Independent Engineer, if any).

(j) *Requested Information*. With reasonable promptness, such other data and information relating to the material business, operations, affairs, financial condition, assets or properties of the Issuer Parties or relating to the material ability of any Issuer Party to perform its obligations hereunder or under any other Note Document as from time to time may be reasonably requested in writing by the Required Holders.

(k) *Material Litigation.* Promptly, and in any event within five (5) Business Days after a Responsible Officer acquires knowledge thereof, notice of the commencement of any litigation or proceeding (or any written threat or written notice of the intention of any Person to file or commence any litigation or proceeding), including any litigation or proceeding under Environmental Laws and any administrative or judicial proceeding relating to Taxes, involving any Issuer Party or the Project, to the extent any such litigation or proceeding (i) relates to the Project and seeks to challenge or invalidate any Applicable Permit, (ii) could reasonably be expected to have a Material Adverse Effect, (iii) seeks injunctive or similar relief, (iv) relates to any Note Document, (v) relates to any Material Project Document or Real Property Document and (vi) involving claims against it or the Project in excess of $7,500,000; provided that the Issuer shall promptly, if requested in writing by the Required Holders, provide a statement of a Responsible Officer of the Issuer setting forth details of the occurrence referred to therein and stating what action the relevant Issuer Party proposes to take with respect thereto, but shall not be required to disclose any document or information that is subject to attorney-client or similar privilege or constitutes attorney work-product.

(l) *Forced Outage*. Promptly after acquiring knowledge thereof, notice of any forced outage not permitted by the terms of the Offtake Agreements lasting for more than ten (10) days with respect to the Elk Hills Plant; provided that the Issuer shall promptly, if requested in writing by a Purchaser or holder of a Note that is an Institutional Investor, by a statement of a Responsible Officer of the Issuer setting forth details of the occurrence referred to therein and stating what action the Issuer proposes to take with respect thereto.

(m) *KYC.* With reasonable promptness, such additional documentation and other information as any Purchaser or the Collateral Agent may from time to time reasonably request which is required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the USA PATRIOT Act.

7.2 Officer's Certificate. Each set of financial statements delivered to the Collateral Agent pursuant to Section 7.1(a) or Section 7.1(b) shall be accompanied by a certificate of a Responsible Officer of the Issuer certifying that such Responsible Officer of the Issuer has reviewed the relevant terms hereof and has made, or caused to be made, under his or her supervision, a review of the transactions and conditions of the Issuer Parties from the beginning of the quarterly or annual period covered by the statements then being furnished to the date of the certificate and that such review shall not have disclosed the existence during such period of any condition or event that constitutes a Default or an Event of Default or, if any such condition or event existed or exists (including any such event or condition resulting from the failure of any Issuer Party to be in material compliance with any Environmental Law), specifying the nature and period of existence thereof and what action the Issuer Parties shall have taken or propose to take with respect thereto.

7.3 Visitation. The Issuer shall, and shall cause Elk Hills Power to, permit the representatives of the Required Holders:

(a) if no Default or Event of Default then exists, at the expense of such Purchaser or holder, subject to the Elk Hill Power's on-site safety requirements and upon at least fifteen (15) days prior notice to the Issuer Parties, to visit the Project and the principal executive

office of the Issuer, to examine books of account, records, reports and other papers and to discuss the affairs, finances and accounts of the relevant Issuer Party with relevant Issuer Party's officers, and (with the consent of the Issuer, which consent will not be unreasonably withheld) its independent public accountants, all at such reasonable times and without undue disturbance to the relevant Issuer Party's commercial operations and during normal business hours and as often as may be reasonably requested in writing; provided, that, so long as no Default or Event of Default has occurred and is continuing, no representative of the Required Holders may make any such visit more frequently than once per calendar year; provided, further, that the relevant Issuer Party shall have the right to keep confidential from such persons any information (i) that the Issuer reasonably believes to be in the nature of trade secrets or (ii) the disclosure of which the Issuer in good faith reasonably believes could violate an obligation of confidentiality required by law or by agreement with a third party; and

(b) if a Default or Event of Default then exists, at the expense of the Issuer to visit and inspect any of the offices or properties of the relevant Issuer Party, to examine all its books of account, records, reports and other papers, to make copies and extracts therefrom, and to discuss their respective affairs, finances and accounts with its officers and independent public accountants (and by this provision the Issuer authorizes said accountants to discuss the affairs, finances and accounts of the relevant Issuer Party), all at such times and as often as may be requested; provided, that the Issuer shall have the right to keep confidential from such persons any information (i) that the Issuer reasonably believes to be in the nature of trade secrets or (ii) the disclosure of which the Issuer in good faith reasonably believes could violate an obligation of confidentiality required by law or by agreement with a third party.

7.4 Electronic Delivery. Financial statements, opinions of independent certified public accountants, other information and Officer's Certificates that are required to be delivered by the Issuer Parties pursuant to Section 7.1 and Section 7.2 shall be deemed to have been delivered if such Issuer Party satisfies any of the following requirements with respect thereto:

(a) such financial statements satisfying the requirements of Section 7.1(a), Section 7.1(b) or Section 7.1(c), related Officer's Certificate(s) satisfying the requirements of Section 7.2 or any other information required under Section 7.1 are, in each case, (i) filed with the SEC via EDGAR or otherwise publicly available on a freely accessible page on CRC's website or (ii) delivered to the Collateral Agent by e-mail in accordance with Section 18; provided that the Issuer shall, at the request of the Collateral Agent, continue to deliver copies (which delivery may be by electronic transmission) of such documents to the Collateral Agent; or

(b) such financial statements satisfying the requirements of Section 7.1(a), Section 7.1(b) or Section 7.1(c), related Officer's Certificate(s) satisfying the requirements of Section 7.2 or any other information required under Section 7.1 are, in each case, timely posted by or on behalf of the Issuer on IntraLinks or on any other similar website to which the Collateral Agent and each holder of Notes has free access; provided, however, that in no case shall access to such financial statements, other information and Officer's Certificates be conditioned upon any waiver or other agreement or consent (other than confidentiality provisions consistent with Section 20 of this Agreement); provided, further, the Issuer shall have given the Collateral Agent prior written notice, which may be by e-mail or in accordance with Section 18, of such posting or filing in connection with each delivery, provided, further, that upon the reasonable request of the

Collateral Agent or any holder to receive paper copies of such financial statements and Officer's Certificates or to receive them by e-mail, the Issuer will promptly e-mail them or deliver such paper copies, as the case may be, to the Collateral Agent or such holder, as applicable.

SECTION 8. PAYMENT AND PREPAYMENT OF THE NOTES.

8.1 Required Payments; Maturity.

(a) Interest (computed on the basis of a 360-day year of twelve 30 day months for the actual days elapsed) shall accrue on the aggregate unpaid principal amount of the Notes at the rate (subject to Section 9.15(d)) of (i) 6.00% per annum from October 27, 2020 until October 26, 2024, (ii) 7.00% per annum from October 27, 2024 until October 26, 2025 and (iii) 8.00% per annum from and after October 27, 2025, and shall in each case be payable monthly in arrears on each Payment Date and on the Maturity Date, until the principal of the Notes shall have become due and payable; provided, that to the extent permitted by Governmental Rules, (x) at all times during which an Event of Default has occurred and is continuing (including as a result of commencement of an insolvency proceeding with respect to any Issuer Party), the aggregate unpaid principal balance of the Notes and (y) any overdue payment of interest with respect to the Note shall, in each case, bear interest at a rate that is 2.00% per annum above the rate of interest stated above (the "**Default Rate**"), payable monthly as aforesaid.

(b) Interest on each Note shall accrue from and including the date of issuance to but excluding the date of any repayment thereof and shall be payable in Dollars; provided that any Note that is repaid on the same date on which it is made shall bear interest for one day. For the avoidance of doubt, interest payable on the Payment Date that occurs on November 30, 2020 shall include all accrued and unpaid interest as of such date, including for the avoidance of doubt all unpaid interest that accrued from the Closing Date until November 1, 2020.

(c) Each Note shall mature and all outstanding principal and accrued interest shall be payable on the Maturity Date.

8.2 Prepayments.

(a) Mandatory Prepayments. The Issuer shall prepay the principal amount of the Notes, at par and without penalty or premium, in the principal amounts and upon the occurrence of the events set forth below:

(i) If on any date the Issuer, or any other Person on behalf of the Issuer, shall receive,

(A) Net Available Amounts of Disposition Proceeds from any Disposition (other than a Disposition pursuant to Section 10.7(a), 10.7(b), 10.7(c)(i), 10.7(d), 10.7(e), or 10.7(f)), and the Issuer has not submitted a Reinvestment Notice to the Collateral Agent (subject, in the case of a Disposition of any material portion of the property or assets of the Issuer or the Project, to the approval of the Collateral Agent acting at the direction of the Required Holders) within ten (10) Business Days of receipt of such Net Available Amounts, or

(B) Net Available Amounts of Loss Proceeds from any Major Loss, and the Issuer has not submitted a Reinvestment Plan within sixty (60) days of receipt of such Net Available Amounts of Loss Proceeds or such Reinvestment Plan has not been approved by the Collateral Agent acting at the direction of the Required Holders (provided that in the case of a Reinvestment Plan submitted in respect of a Major Loss from which the Net Available Amounts of Loss Proceeds in respect of such Event of Loss do not exceed seventy five million dollars ($75,000,000), the holders' approval of such Reinvestment Plan shall not be unreasonably withheld, conditioned or delayed),

such Net Available Amounts shall be applied to the prepayment of the Notes; provided that, notwithstanding the foregoing, (i) to the extent that (x) the aggregate Net Available Amounts of Disposition Proceeds in respect of Dispositions of the Issuer Parties do not exceed $2,500,000 in any fiscal year or $5,000,000 in the aggregate or (y) the aggregate Net Available Amounts of Loss Proceeds in respect of an Event of Loss do not exceed $30,000,000, then, in each case, such Net Available Amounts under such threshold shall not be required to be applied to the prepayment of the Notes pursuant to this Section 8.2(a) and the Issuer Parties may reinvest such Net Available Amounts without delivering a Reinvestment Notice or Reinvestment Plan, as applicable, pursuant to this Section 8.2(a) (notwithstanding, for the avoidance of doubt, the prepayment obligations of this Section 8.2(a)) so long as the Issuer notifies the Collateral Agent of such amounts and deposits such amounts in a Collateral Account and (ii) on each Reinvestment Prepayment Date, an amount equal to the Reinvestment Prepayment Amount with respect to the relevant Reinvestment Event shall be applied toward the prepayment of the Notes as set forth in this Section 8.2(a)(i).

(ii) Promptly following a Change of Control, the Issuer shall prepay the entire principal amount outstanding under all of the Notes, together with accrued interest on such principal amount to the date of such prepayment.

(iii) Promptly upon the incurrence by the Issuer of any Indebtedness (other than Permitted Indebtedness), the Issuer shall prepay the principal amount of the Notes, together with accrued interest on such principal amount to the date of such prepayment, in an amount equal to 100% of the proceeds of such Indebtedness.

(b) The Issuer shall give the Collateral Agent a written notice of such mandatory prepayment required to be made under this Section 8.2(a) not less than five (5) Business Days and not more than ten (10) Business Days prior to the date fixed for such prepayment. Each such notice shall specify (i) in reasonable detail, the events giving rise to such prepayment, (ii) the prepayment date (which shall be a Business Day) and (iii) the aggregate principal amount of the Notes to be prepaid on such date, and the interest to be paid on the prepayment date with respect to such principal amount being prepaid. The Collateral Agent will promptly notify each holder holding Notes of the contents of such notice and of such holder's pro rata share of the mandatory prepayment. At any time after receipt of such notice but prior to 5:00 p.m. (New York City time) three (3) Business Days prior to the date any such mandatory prepayment pursuant to Section 8.2(a) is to be made, any holder may decline any such mandatory prepayment by providing written notice (each, a "**Rejection Notice**") to the Issuer and the Collateral Agent. If a holder fails to

deliver a Rejection Notice to the Issuer and the Collateral Agent within the time frame specified above, any such failure will be deemed an acceptance of the total amount of such mandatory prepayment of Notes. The holders who have not so declined such mandatory prepayment or who have been deemed to accept such mandatory prepayment shall be paid in accordance with Section 8.4 and if any prepayment amount shall have been declined: (i) such amount shall be re-offered, on a *pro rata* basis, to the holders who did not decline the first prepayment offer; (ii) any holders accepting such second prepayment offer by providing written notice to the Issuer and Collateral Agent prior to 5:00 p.m. (New York City time) one (1) Business Day prior to the date of such mandatory prepayment shall be paid the additional amount it accepted pursuant to the second prepayment offer in accordance with Section 8.4; and (iii) any remaining prepayment amount shall be deposited into a Collateral Account. Except with respect to the second prepayment offer (if any) referred to in the immediately preceding sentence, the Issuer shall have no further obligation to any holder who so declines such mandatory prepayment to make any future mandatory prepayments as a result of the event or occurrence that gave rise to the initial mandatory prepayment obligation.

(c) Optional Prepayments. The Issuer may, at its option, upon notice as provided below, prepay at any time all, or from time to time any part of, the Notes, in an amount not less than $1,000,000 (and in multiples of $500,000) in the case of a partial prepayment, at 100% of the principal amount so prepaid, any accrued interest with respect to such principal amount. The Issuer will give the Collateral Agent written notice of each optional prepayment under this Section 8.2 not less than five (5) days and not more than sixty (60) days prior to the date fixed for such prepayment (which notice may state that it is conditioned upon the effectiveness of another credit facility or other agreement or transaction providing the source of funds for such optional prepayment, in which case such notice may be revoked by the Issuer by providing written notice to the Collateral Agent at least one (1) Business Day prior to the proposed date of the optional prepayment if one or more of such conditions is not satisfied), unless the Issuer and the Required Holders agree to another time period pursuant to Section 17. Each such notice shall specify (i) such date (which shall be a Business Day), (ii) the aggregate principal amount of the Notes to be prepaid on such date, the principal amount of each Note held by such holder to be prepaid (determined in accordance with Section 8.4) and (iii) the interest to be paid on the prepayment date with respect to such principal amount being prepaid.

8.3 Application of Payments. Each prepayment pursuant to Section 8.2 shall be applied *first*, to any amounts owing pursuant to Sections 15.1, *second*, to any amounts owing pursuant to Sections 15.2, *third*, to accrued and unpaid interest to the date of such prepayment and *fourth*, to reduce the outstanding principal amount of the Notes.

8.4 Allocation of Partial Prepayments. In the case of each partial prepayment of the Notes pursuant to Section 8.2, the principal amount of the Notes to be prepaid shall be allocated ratably among all of the Notes at such time outstanding in proportion, as nearly as practicable, to the respective unpaid principal amounts thereof not theretofore called for prepayment; provided that any holder of a Note who declines such partial prepayment in accordance with Section 8.2 shall not be considered in such allocation.

8.5 Maturity; Surrender. In the case of each prepayment of Notes pursuant to this Section 8, the principal amount of each Note to be prepaid shall mature and become due and

payable on the date fixed for such prepayment, together with interest on such principal amount accrued to such date. From and after such date, unless the Issuer shall fail to pay such principal amount when so due and payable, together with the interest, as aforesaid, interest on such principal amount shall cease to accrue. Any Note paid or prepaid in full shall be surrendered to the Issuer and cancelled and shall not be reissued, and no Note shall be issued in lieu of any prepaid principal amount of any Note.

8.6 Purchase of Notes. The Issuer will not and will not permit any Affiliate to purchase, redeem, prepay or otherwise acquire, directly or indirectly, any of the outstanding Notes except upon the payment or prepayment of the Notes in accordance with this Agreement and the Notes. The Issuer will promptly cancel all Notes acquired by it, any Affiliate pursuant to any payment or prepayment of Notes pursuant to this Agreement and no Notes may be issued in substitution or exchange for any such Notes.

SECTION 9. AFFIRMATIVE COVENANTS.

From the date of this Agreement, so long as any of the Notes are outstanding, the Issuer covenants that:

9.1 Payment of Taxes. The Issuer shall file, or cause to be filed, all Material Tax returns required to be filed by the Issuer and Elk Hills Power in any jurisdiction and will pay and discharge all Material Taxes shown to be due and payable on such returns and all other Material Taxes imposed on it or any of its properties, assets, income or franchises, to the extent the same have become due and payable and before they have become delinquent and all claims for which sums have become due and payable that have or might become a Lien on properties or assets of the Issuer; provided that the Issuer need not pay any such Taxes to the extent that the amount, applicability or validity thereof is contested by the Issuer on a timely basis in good faith and in appropriate proceedings, and the Issuer has established adequate reserves therefor in accordance with GAAP on the books of the relevant Issuer Party.

9.2 Maintenance of Existence. Except as otherwise expressly permitted under this Agreement, the Issuer shall, and shall cause Elk Hills Power to, (a) preserve and keep in full force and effect its organizational existence and (b) except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect, take all reasonable actions to maintain all rights, privileges and franchises necessary or desirable in the normal conduct of its business.

9.3 Insurance. The Issuer shall, and shall cause Elk Hills Power to, obtain and maintain, or will cause others to obtain and maintain on its behalf, the insurance required to be maintained pursuant to the Insurance Program.

9.4 Compliance with Laws. The Issuer shall, and shall cause Elk Hills Power to, comply with all Legal Requirements applicable to the Issuer, Elk Hills Power or the Project, except to the extent failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Each of the Issuer and Elk Hills Power may, at its expense, contest by appropriate proceedings conducted in good faith the validity or application of Legal Requirements.

9.5 Books and Records. The Issuer will, and will cause Elk Hills Power to, (i) maintain proper books of record and account in conformity with GAAP and all applicable requirements of any Governmental Authority having legal or regulatory jurisdiction over the Issuer and (ii) keep books, records and accounts, which, in reasonable detail, accurately reflect all transactions and dispositions of assets. Each of the Issuer and Elk Hills Power has devised a system of internal accounting controls sufficient to provide reasonable assurances that its books, records, and accounts accurately reflect all transactions and dispositions of assets and the Issuer will, and will cause Elk Hills Power to, continue to maintain such system.

9.6 Operation of Project; Maintenance of Property; Material Project Documents.

(a) Except to the extent that failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Issuer shall, and shall cause Elk Hills Power to, keep, operate and maintain or cause to be kept, operated and maintained, the Project and other property useful and necessary in the business of such Issuer Party in good working order and condition in accordance with Prudent Industry Practices, ordinary wear and tear excepted; provided that no Issuer Party shall be deemed to be in breach of this covenant solely as a result of any damage resulting from an event or circumstance (i) the occurrence of which was not within the reasonable control of or caused by the Issuer Parties or their Affiliates and (ii) the effects of which the Issuer Parties or their Affiliates could not have avoided by the exercise of due diligence and care.

(b) Except to the extent failure to do so could not reasonably be expected to have a Material Adverse Effect, the Issuer shall, and shall cause Elk Hills Power to, enforce its rights under each Material Project Document in accordance with its terms to the extent such Material Project Document is in full force and effect.

(c) The Issuer shall, and shall cause Elk Hills Power to, enforce its rights under each Real Property Document in all material respects.

(d) The Issuer shall, and shall cause Elk Hills Power to, enforce its rights under the Sponsor Support Agreement in accordance with its terms.

9.7 Environmental Laws. Except to the extent failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Issuer shall, and shall cause Elk Hills Power to, (a) comply, and maintain, construct, own and operate the Project and the Project Properties in compliance, with all applicable Environmental Laws; and (b) conduct and complete all investigations, studies, sampling, monitoring, and testing, and all remedial, removal, restoration, cleanup, and other actions, required under applicable Environmental Laws (including in the event of any Release of Materials of Environmental Concern at, on, under, or from the Project or Project Properties).

9.8 Collateral; Further Assurances. The Issuer shall, and shall cause Elk Hills Power to, take, or cause to be taken all action required to maintain and preserve the Liens created by the Security Documents and the priority of such Liens (subject to Permitted Liens). From time to time, the Issuer shall, and shall cause Elk Hills Power to, (a) execute, acknowledge, record, register, deliver and/or file all such notices, statements, instruments and other documents (including any

memorandum of lease or other agreement, UCC financing statement or continuation statement, certificate of title or estoppel certificate) relating to the Obligations, stating the interest and charges then due and any known defaults, and (b) take such other steps as may be necessary to render fully valid and enforceable under all applicable laws the rights, Liens and priorities (subject to Permitted Liens) of the Collateral Agent with respect to all Collateral and other security (if any) from time to time furnished under this Agreement and the other Note Documents or intended to be so furnished, in each case in such form and at such times as shall be reasonably requested by the Collateral Agent (acting on behalf of and at the direction of the Required Holders) for such purposes, and pay all reasonable and documented fees and expenses (including reasonable and documented attorneys' fees) incident to compliance with this Section 9.8.

9.9 Maintenance of Applicable Permits. Except to the extent failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Issuer shall, and shall cause Elk Hills Power to, obtain, renew and keep in full force and effect, and comply with, all Applicable Permits. Each Issuer Party may, at its expense, contest by appropriate proceedings conducted in good faith the validity or application of, or non-compliance with, any Applicable Permits.

9.10 Energy Regulatory Status. The Issuer shall, and shall cause Elk Hills Power to, take all actions necessary to comply in all material respects with those requirements of FERC that apply to Elk Hills Power, to the Elk Hills Plant, to the maintenance of QF status in respect of the Elk Hills Plant, and to the preservation of all of the exemptions from regulation set forth in 18 C.F.R. Part 292 Subpart F, such that the Elk Hills Plant shall comply at all times with the requirements set forth in 18 C.F.R. § 292.205, in each case, to the extent such requirements are applicable as of the Closing Date and shall use commercially reasonable efforts to comply with any applicable successor regulations. The Issuer shall, and shall cause Elk Hills Power to, maintain in full force and effect Elk Hills Power's MBR Authority without any "mitigation" (as that term is used under 18 C.F.R. § 35.38) to the extent such requirements are applicable as of the Closing Date and shall use commercially reasonable efforts to comply with any applicable successor regulations. The Issuer shall, and shall cause Elk Hills Power to, comply in all material respects with the electric reliability and other requirements applicable to Elk Hills Power and the Elk Hills Plant under 18 C.F.R. Part 40 to the extent such requirements are applicable as of the Closing Date and shall use commercially reasonable efforts to comply in all material respects with respect to any applicable successor regulations. For the avoidance of doubt, notwithstanding anything in this Agreement to the contrary, the Issuer shall, and will cause Elk Hills Power to, not oppose, obstruct, or protest the maintenance of QF status by the Elk Hills Plant nor the sale of electricity by Elk Hills Power in any proceeding by or before the FERC that specifically concerns QF status of the Elk Hills Plant.

9.11 Additional Project Documents. Promptly after the entry by any Issuer Party into any Additional Project Document, the Issuer shall deliver a copy of such Additional Project Document to the Collateral Agent (for distribution to the holders).

9.12 Title.

(a) The Issuer shall, and shall cause Elk Hills Power to, maintain good, valid and insurable title to, or valid leasehold interests or easements in the property or assets of the Issuer

and Elk Hills Power that are necessary for the ownership, operation or maintenance of the Project or the distribution of electricity or steam, or gas processing services therefrom, except in each case where the failure to have such title, interests or easements would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, and shall at all times warrant and defend the title to such property against all claims that do not constitute Permitted Liens.

(b) The Issuer shall, and shall cause Elk Hills Power to, use commercially reasonable efforts to obtain valid easement rights with respect to its transmission and gathering lines to the extent it does not own valid easement rights with respect to such lines.

9.13 Hazardous Substances. The Issuer shall, and shall cause Elk Hills Power to, prevent, remediate, investigate, monitor, mitigate or otherwise address any actual or threatened Release of or any exposure of any Person to any Materials of Environmental Concern, to the extent such Release or exposure has given rise or could give rise to a material violation by Issuer or a material liability of Issuer under any Environmental Law.

9.14 Collateral Accounts.

(a) On or before the Closing Date, Elk Hills Power shall establish at least one Collateral Account, and thereafter maintain such Collateral Account.

(b) Within forty-five (45) days following the Closing Date (or such later date as agreed by the Required Holders in their sole discretion), the Issuer shall establish a Collateral Account and thereafter maintain such Collateral Account.

(c) The Issuer and Elk Hills Power shall deposit promptly after receipt thereof, and shall use commercially reasonable efforts to cause third parties that would otherwise make payments directly to the Issuer or Elk Hills Power to deposit, all amounts (including all Project Revenues) received by, or payable to, the Issuer or Elk Hills Power, as applicable, into a Collateral Account.

(d) The Issuer shall, and shall cause Elk Hills Power to, ensure that any contract it enters into with a third party for the sale of any services or products to such third party, including any gas processing services, steam or electricity produced by or provided by Elk Hills Power, (i) is entered into by the Issuer and/or Elk Hills Power and that neither CRC nor any of its Subsidiaries (excluding the Issuer and Elk Hills Power) will be a party thereto and (ii) provides for the payment of all amounts in exchange for such services or products to be paid directly to the Issuer or Elk Hills Power, into a bank account of the Issuer or Elk Hills Power, as applicable, that is subject to a Control Agreement. The Issuer and Elk Hills Power agree that it is the intention that all Project Revenues or earnings generated by or using the Collateral shall be deposited into such a bank account and no back to back intercompany or other affiliate arrangements shall be permitted.

9.15 Plan of Subdivision; LTS Ground Lease; Ground Lease Amendment.

(a) The Issuer shall, at its sole cost and expense, diligently pursue the approval of the Plan of Subdivision from all applicable Governmental Authorities (which Plan of Subdivision shall not be materially modified or amended without the prior written consent of the Collateral Agent, acting at the direction of the Required Holders), promptly respond to any inquiry

from holders regarding the progress of the Plan of Subdivision and promptly notify the Collateral Agent in writing of any event or occurrence which could reasonably be expected to materially delay completion of the Plan of Subdivision according to its terms.

(b) Promptly following approval of the Plan of Subdivision by all applicable Governmental Authorities, the Issuer and Elk Hills Power shall enter into a long-term ground lease covering the LTS Parcels in form attached hereto as Exhibit 9.15(b)(i) (the "**LTS Ground Lease**") and promptly thereafter record a memorandum of the LTS Ground Lease in the form attached hereto as Exhibit 9.15(b)(ii), which LTS Ground Lease shall have priority in right of payment with respect to any other Indebtedness secured by a Lien on the fee interest of the LTS Parcel.

(c) Simultaneously with the execution of the LTS Ground Lease, the Mortgage shall, at the Issuer's sole cost and expense, be amended (in form and substance reasonably satisfactory to the Collateral Agent and the Required Holders) to encumber the LTS Ground Lease and the Issuer shall deliver to the Collateral Agent:

(i) all documentation necessary and then available to the Issuer to obtain a Title Policy and Survey, in accordance with and as described in Section 9.16 and 9.17, covering the LTS Parcel in form and substance reasonably satisfactory to the Required Holders, and

(ii) customary opinions in form and substance reasonably satisfactory to the Required Holders with respect to such amendment to the Mortgage (the documentation described in clause (e) and this clause (c) collectively, the "**LTS Real Property Documentation**" and the completion of the Plan of Subdivision, execution and delivery of the LTS Ground Lease, and delivery of the LTS Real Property Documentation are collectively referred herein as the "**LTS Conditions**").

(d) If the LTS Conditions have not been satisfied within twelve (12) months after the Closing Date, beginning with the first day following such 12-month period (or such later date agreed to by the Collateral Agent (acting at the direction of the Required Holders in their sole discretion)), the rate of interest then payable on the Notes will be increased by 1.00% per annum until such time that the LTS Conditions shall have been satisfied and upon such satisfaction of the LTS Conditions, the rate of interest payable on the Notes shall thereafter be reduced to the rate stated in Section 8.1(a) (and the 1.00% increase specified in this clause (d) shall no longer apply). Promptly following the satisfaction of the LTS Conditions, the Issuer shall provide the Collateral Agent with written notice thereof (and the Collateral Agent may rely on such written notice as evidence that the LTS Conditions have been satisfied (or the absence of its receipt of such written notice as evidence that the LTS Conditions have not been satisfied) for purposes of calculating interest on the Notes).

(e) The Issuer shall provide to the Collateral Agent within fifteen (15) days of the Closing Date fully executed amended and restated ground leases for each of the Ground Leases (other than the LTS Ground Lease) that incorporate the text of Sections 13, 14, 17 and 19 of the form of LTS Ground Lease attached hereto and promptly thereafter record a memorandum of each of the Ground Leases (other than the LTS Ground Lease) in substantially the form attached hereto as Exhibit 9.15(b)(ii).

9.16 **Title Policy**. The Issuer shall, or shall cause Elk Hills Power to provide to the Collateral Agent as soon as practicable following the Closing Date, and in any event within ninety (90) days of the Closing Date (which period may be extended with the consent of the Required Holders, in their sole discretion; provided that if the Issuer is using its, or is causing Elk Hills Power to use its, commercially reasonable efforts, such consent of the Required Holders shall not be unreasonably withheld, conditioned or delayed), an American Land Title Association ("**ALTA**") extended coverage loan title insurance policy (in 2006 or later form) in respect of the interests of Elk Hills Power in and to the real property on which the Project is located, together with such endorsements as are reasonably required by it (such policies and endorsements including all amendments thereto and substitutions or replacement therefor being hereinafter referred to collectively as the "**Title Policy**"), or the unconditional and irrevocable commitment of the Title Company (as defined below) to issue such extended coverage loan title policy, in an amount not less than $300,000,000, issued by a title insurance company selected by Issuer and reasonably acceptable to the Purchasers as insurer of the Title Policy (the "**Title Company**"), in form and substance reasonably satisfactory to the Required Holders, and in favor of, the Collateral Agent (for the benefit of the Secured Parties), insuring that with respect to the Project that:

(a) Elk Hills Power has good, valid leasehold and/or easement title in and to, as applicable, or the right to control, occupy and/or use, the Project Properties (including all appurtenant easements thereto and related rights of way other than easements with respect to transmission and gathering lines) comprising the Project as described in the applicable schedule to the Title Policy, free and clear of all Liens, encumbrances and other exceptions to title whatsoever, other than Permitted Liens and

(b) the Mortgage on the Project Properties (including all appurtenant easements thereto and related rights of way other than easements with respect to transmission and gathering lines) constitutes a valid, first priority Lien in favor of Collateral Agent for the benefit of the Secured Parties on the real property interests of Elk Hills Power in the Project Properties (including all appurtenant easements thereto and related rights of way other than easements with respect to transmission and gathering lines) created by the lease or easement agreements between Elk Hills Power and fee owner of each Project Property, free and clear of all Liens, encumbrances and other exceptions to title whatsoever, other than Permitted Liens,

together with evidence that all title insurance premiums and expenses, filing, recordation, subscription and inscription fees and all recording and other similar fees, and all recording, stamp and other similar Taxes and other expenses related to the issuance of the Title Policy and such filings, registrations and recordings contemplated by the Note Documents have been paid in full by or on behalf of Elk Hills Power.

9.17 **Survey and Affidavit**. The Issuer shall, or shall cause Elk Hills Power to, provide to the Collateral Agent as soon as practicable following the Closing Date, and in any event within ninety (90) days of the Closing Date (which period may be extended with the consent of the Required Holders, in their sole discretion; provided that if the Issuer is using its, or is causing Elk Hills Power to use its, commercially reasonable efforts, such consent of the Required Holders shall not be unreasonably withheld, conditioned or delayed), (i) ALTA surveys in form and substance acceptable to the Required Holders with respect to the real estate parcels constituting the Project Properties (including all appurtenant easements thereto and related rights of way other than

easements with respect to transmission and gathering lines) whether owned or leased (each a "**Survey**") and (ii) an owner's title affidavit, including therein any "no-change" survey affidavit, with respect to the Survey, in each case certified to the Collateral Agent by the Issuer, and in form reasonably satisfactory to the Purchasers.

9.18 Opinion. If reasonably requested by any holder in connection with a proposed transfer of a Note pursuant to Section 13.2, the Issuer shall cooperate in good faith with the holder in order to obtain, at its sole cost and expense, an opinion of counsel, in form and substance reasonably acceptable to such holder, addressing environmental and regulatory matters applicable to the Project and the Issuer Parties.

9.19 CUSIP Number. The Issuer shall use its commercially reasonable efforts to, within sixty (60) days following the Closing Date, obtain an identification number issued by CUSIP Global Services for the Notes.

SECTION 10. NEGATIVE COVENANTS.

From the date of this Agreement, so long as any of the Notes are outstanding, the Issuer covenants that:

10.1 Indebtedness. The Issuer shall not, and shall not permit Elk Hills Power to, create, issue, incur, assume, or suffer to exist any Indebtedness, except Permitted Indebtedness.

10.2 Liens. The Issuer shall not, and shall not permit Elk Hills Power to, create, incur, assume or suffer to exist any Lien upon any of its property, whether now owned or hereafter acquired, except Permitted Liens.

10.3 Fundamental Changes. The Issuer shall not, and shall not permit Elk Hills Power to, enter into any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or Dispose of all or substantially all of its property or business.

10.4 Tax Status. The Issuer shall not, and shall not permit Elk Hills Power to, cause, make or consent to any action or election that would result in the Issuer or Elk Hills Power ceasing to be either a partnership or a disregarded entity for U.S. federal income tax purposes, in each case to the extent permitted by applicable Legal Requirements.

10.5 Employees. The Issuer shall not, and shall not permit Elk Hills Power to, obtain or maintain any employees.

10.6 Subsidiaries. The Issuer shall not, and shall not permit Elk Hills Power to, create, acquire or permit to exist any Subsidiaries (other than, in the case of the Issuer, Elk Hills Power) or become a limited partner or general partner in any partnership or venturer in any joint venture.

10.7 Disposition of Property. The Issuer shall not, and shall not permit Elk Hills Power to, Dispose of any of its Property, whether now owned or hereafter acquired, except, in the case of Elk Hills Power:

(a) as required by any Material Project Document or any Note Document;

(b) the liquidation, sale or use of cash and Permitted Investments;

(c) the Disposition of (i) obsolete, damaged, worn out or surplus property not used or useful in the business of the Issuer or (ii) property which is unrelated to the Project or otherwise not required for the operation of the Project as contemplated by the Sponsor Support Agreement and the Material Project Documents then in effect;

(d) sales of (and the granting of any option or other right to purchase, lease or otherwise acquire) power, electric capacity, transmission capacity, emissions credits, or ancillary services or other inventory or products in the ordinary course of business and otherwise in compliance with the terms of the Sponsor Support Agreement and the Material Project Documents then in effect;

(e) granting of easements or other interests in the Project Properties to other Persons so long as such grant is in the ordinary course of business, not substantial in amount and does not or could not reasonably be expected to materially detract from the value or use of the affected property or to interfere in any material respect with Elk Hills Power's ability to construct or operate the Project or sell or distribute capacity, energy, hydrocarbons or ancillary services;

(f) sales of capacity, energy, hydrocarbons, ancillary services and other products and services in the ordinary course of business;

(g) distributions permitted under Section 10.8;

(h) other Dispositions on an arm's-length basis for cash consideration having a fair market value not exceeding $2,500,000 in any fiscal year and $5,000,000 in the aggregate for all such Dispositions during the term of this Agreement; provided that such Disposition is not reasonably expected to materially and adversely impair the operation and maintenance of the Project.

10.8 Restricted Payments.

(i) The Issuer shall not make or agree to make, directly or indirectly, any Restricted Payments (as defined below), provided that if no Restricted Payment Event has occurred, the Issuer may make a Restricted Payment not more than two times per calendar month or to the extent necessary for CRC to remain in compliance with Section 10.18(a) of the CRC Debt Agreements.

(a) Following the occurrence of any Restricted Payment Event, the Issuer shall not, and shall not permit Elk Hills Power to, declare or pay any dividend on, or make any payment on account of, or set apart assets for a sinking or other analogous fund for, the purchase, redemption, defeasance, retirement or other acquisition of, any Equity Interests in such Issuer Party, whether now or hereafter outstanding, or make any other distribution in respect thereof, either directly or indirectly, whether in cash or property or in obligations of the Issuer (collectively, "**Restricted Payments**").

10.9 Investments. The Issuer shall not, and shall not permit Elk Hills Power to, make any Investments except Permitted Investments.

10.10 Transactions with Affiliates. The Issuer shall not, and shall not permit Elk Hills Power to, enter directly or indirectly into any transaction (including without limitation the purchase, lease, sale or exchange of properties of any kind or the rendering of any service) with any Affiliate, except that each of the Issuer and Elk Hills Power may enter into (a) transactions and agreements with Affiliates in the ordinary course of business on fair and reasonable terms no less favorable to the relevant Issuer Party than would be obtainable in a comparable arm's-length transaction with a Person that is not an Affiliate, (b) Permitted Affiliate Transactions and (c) Restricted Payments permitted under Section 10.8.

10.11 Lines of Business. The Issuer shall not permit Elk Hills Power to, enter into any business, except for the ownership, operation, maintenance, use, improvement and financing of, and sale of hydrocarbons processed or electricity generated by, the Project and activities reasonably incidental thereto.

10.12 Passive Holdco. Notwithstanding anything contained herein, the Issuer shall not engage in any business or activity or own any assets other than (i) holding 100% of the Equity Interests of Elk Hills Power; (ii) performing its obligations and activities incidental thereto under the Note Documents, and to the extent not inconsistent therewith, the Material Project Documents and (iii) activities and contractual rights incidental to maintenance of its corporate existence.

10.13 Amendments to or Termination of Certain Documents. The Issuer shall not, and shall not permit Elk Hills Power to, cause, consent to, or permit any termination (except for a termination that occurs automatically in accordance with the express terms of such agreement), amendment, modification, variance, impairment, or waiver of any provision of (i) the Sponsor Support Agreement without first obtaining the prior written consent of all of the holders of the Notes, (ii) any Real Property Document without first obtaining the prior written consent of the Required Holders or (iii) any other Material Project Document unless the Issuer believes, in good faith, that such termination, amendment, modification, variance, impairment or waiver is commercially reasonable and in the best interests of the Issuer Parties; provided, that the Issuer shall not be required to obtain the prior written approval of the holders with respect to (A) any amendment, modification, supplement, or waiver of the Sponsor Support Agreement or Real Property Document effected to correct a clear and manifest error, to make a ministerial modification in the Sponsor Support Agreement or Real Property Document or solely to afford Elk Hills Power additional rights or benefits thereunder or (B) any amendment, modification, supplement, or waiver of any Real Property Documents required by Section 9.15(e).

10.14 Maintenance of Accounts. The Issuer shall not, and shall not permit Elk Hills Power to, establish or maintain any deposit, securities, commodities or similar account other than the Collateral Accounts.

10.15 Changes in Fiscal Periods; Accounting Policies; Location; Name.

(a) Without the consent of the Required Holders, the Issuer shall not permit the fiscal year of the Issuer or Elk Hills Power to end on a day other than December 31, change the

Issuer's or Elk Hills Power's method of determining fiscal quarters or make, or permit any change in accounting policies or reporting practices except as required by GAAP, except in each case for any such changes which are not materially adverse to the holders of the Notes.

(b) Except upon ten (10) days' prior written notice to the Collateral Agent and otherwise following delivery to the Collateral Agent of all additional financing statements and other documents necessary to maintain the validity, perfection and priority of the security interests provided for herein, neither the Issuer nor Elk Hills Power will (i) change its jurisdiction of organization, (ii) change its location of principal place of business or (iii) change its name.

10.16 Additional Project Documents. The Issuer shall not, and shall not permit Elk Hills Power to, enter into or become a party to any Additional Project Document or Real Property Document unless such Additional Project Document (with any series of related Additional Project Documents entered into as part of a single transaction or series of related transactions to be considered as one "Additional Project Document" for purposes of this Section 10.16) or Real Property Document is on terms fair and commercially reasonable to Elk Hills Power and could not reasonably be expected to have a Material Adverse Effect, in each case, as certified by a Responsible Officer of the Issuer; provided, however, the Issuer shall provide five (5) Business Days' prior written notice before entering into such Additional Project Document.

10.17 Sales and Leasebacks. The Issuer shall not, and shall not permit Elk Hills Power to, enter into any arrangement with any Person providing for the leasing by Elk Hills Power of any material real or personal property that has been or is to be sold or transferred by Elk Hills Power, to such Person or to any other Person to whom funds have been or are to be advanced by such Person on the security of such property or rental obligations of Elk Hills Power.

10.18 Energy Regulatory Status. Other than as set forth in Schedule 5.14, the Issuer shall not, and shall not permit Elk Hills Power to, take any action that shall cause the Issuer or Elk Hills Power to become subject to any approval, obligation or regulation as an "electric utility" under the laws of California or any other state with jurisdiction over the Issuer or Elk Hills Power, except when becoming subject to such approval, obligation or regulation does not result in and could not reasonably be expected to result in a Material Adverse Effect.

10.19 Sanctions, Anti-Corruption Laws, Etc.

(a) The Issuer shall not, and shall not permit Elk Hills Power to, directly or knowingly indirectly, lend, contribute or otherwise make available the proceeds of the Notes to any Subsidiary, joint venture partner or other Person (i) to fund any activities or business of or with any Sanctioned Person, or in any Sanctioned Country, or (ii) in any other manner that would result in any Issuer Party, the Collateral Agent or any holder of Notes being in violation of Sanctions. The Issuer shall not, and shall not permit Elk Hills Power to, engage in (nor shall it authorize or permit any Subsidiary or any other Person acting on its behalf to engage in), with respect to the Project or any transaction contemplated by the Operative Documents, any dealing, transaction or other act in violation of any Anti-Corruption Law, Anti-Money Laundering Law or Sanctions.

(b) The Issuer shall, and shall cause Elk Hills Power to, ensure that no funds used to pay the obligations under this Agreement (i) constitute the property of, or are beneficially owned, directly or indirectly, by any Sanctioned Person, (ii) are derived from any transactions or business of or with any Sanctioned Person or Sanctioned Country, or (iii) are derived from any activity in violation of Anti-Money Laundering Laws.

10.20 Amendments to Organizational Documents. The Issuer shall not, and shall not permit Elk Hills Power to, directly or indirectly, change, amend or otherwise modify any of its Organizational Documents (including by the filing or modification of any certificate of designation) or any agreement to which it is a party with respect to its limited liability company interest or otherwise terminate, amend or modify any such Organizational Document or agreement or any provision thereof, or enter into any new agreement with respect to its limited liability company interest, other than any such amendments, modifications or changes or such new agreements which are not adverse in any material respect to the interests of the Collateral Agent, the Purchasers or the holders of the Notes.

10.21 Speculative Transactions. The Issuer shall not, and shall not permit Elk Hills Power to, enter into any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions for speculative purposes.

SECTION 11. EVENTS OF DEFAULT.

An "**Event of Default**" shall exist if any of the following conditions or events shall occur and be continuing:

(a) the Issuer defaults in the payment of any principal on any Note when the same becomes due and payable, whether at maturity or at a date fixed for prepayment or by declaration or otherwise; or

(b) the Issuer defaults in the payment of any interest on any Note, or any other amount payable hereunder or under any other Note Document within three (3) Business Days after any such interest or other amount becomes due and payable in accordance with the terms hereof; or

(c) any Issuer Party shall default in the observance or performance of any agreement contained in Section 7.1(d), Section 9.2, Section 9.3 (but only to the extent such default results in any Issuer Party failing to maintain any insurance required under such Section 9.3), Section 9.14(b), Section 9.16, Section 9.17 or Section 10; or

(d) any Issuer Party shall (i) default in the observance or performance of Section 7.1(e), and such default of Section 7.1(e) shall continue unremedied for a period of ten (10) Business Days after the occurrence of such default of Section 7.1(e), or (ii) default in the performance of or compliance with any other term contained herein (other than those referred to in Section 11(a), (b) and (c) and (d)(i)) or in any other Note Document to which it is a party and

such default is not remedied within thirty (30) days after the earlier of (x) a Responsible Officer obtaining knowledge of such default and (y) the Issuer receiving written notice of such default from the Collateral Agent or any holder (any such written notice to be identified as a "notice of default" and to refer specifically to this Section 11(d)); provided, however, that, in the case of the foregoing clause (ii) only, if (A) such default is not susceptible of cure within thirty (30) days, (B) such Issuer Party is proceeding with diligence and in good faith to cure such default and such default is susceptible to cure and (C) the extension of such cure period could not reasonably be expected to have a Material Adverse Effect, then such thirty (30)-day period shall be extended as may be necessary to cure such failure, such extended period not to exceed ninety (90) days in the aggregate (inclusive of the original thirty (30)-day period); or

(e) any representation or warranty made or deemed made by or on behalf of any Issuer Party herein or in any other Note Document to which it is a party, any amendment or modification thereof or waiver thereto or that is contained in any certificate, document or financial or other statement furnished by it in writing at any time under or in connection with this Agreement or any such other Note Document shall prove to have been false or incorrect in any material respect on or as of the date made; provided, however, that if (i) the fact, event or circumstance resulting in such false or incorrect representation or warranty is capable of being cured, corrected or otherwise remedied, (ii) such fact, event or circumstance resulting in such false or incorrect representation or warranty shall have been cured, corrected or otherwise remedied within thirty (30) days from the date on which such Issuer Party first obtains knowledge thereof and (iii) such incorrect representation or warranty could not reasonably be expected to result in a Material Adverse Effect during the pendency of such cure period, then such false or incorrect representation or warranty shall not constitute an Event of Default hereunder; or

(f) any Issuer Party or CRC as applicable, shall: (a) default in making any payment when due (subject to any applicable grace period) of any Indebtedness (excluding, for the avoidance of doubt, the Notes, this Agreement and other Obligations) in an aggregate principal amount of at least $50,000,000 (or its equivalent in the relevant currency of payment); or (b) default in the observance or performance of any other agreement or condition relating to any such Indebtedness described in clause (a) hereof (excluding, for the avoidance of doubt, the Notes and other Obligations) or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist that, in each such default or condition contemplated in this clause (b), (i) the effect of which is to cause such Indebtedness to become due prior to its stated maturity or, in the case of any such Indebtedness constituting a Guaranty obligation, to become immediately due and payable or (ii) as a result thereof, (x) any such Indebtedness shall be declared to be due and payable or required to be prepaid or redeemed (other than by a regularly scheduled required prepayment or redemption), purchased or defeased, or an offer to prepay, redeem, purchase or defease such Indebtedness shall be required to be made, in each case, prior to the stated maturity thereof or (y) in the case of CRC, any secured party under a CRC Debt Agreement shall exercise remedies with respect to any Equity Interests pledged in connection therewith; or

(g) any Issuer Party or CRC (i) is generally not paying, or admits in writing its inability to pay, its debts as they become due, (ii) files, or consents by answer or otherwise to the filing against it of a petition for relief or reorganization or arrangement or any other petition in bankruptcy, for liquidation or to take advantage of any bankruptcy, insolvency, reorganization,

moratorium or other similar law of any jurisdiction, (iii) makes an assignment for the benefit of its creditors, (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, (v) is adjudicated as insolvent or to be liquidated, or (vi) takes corporate action for the purpose of any of the foregoing; or

(h) a court or other Governmental Authority of competent jurisdiction enters an order appointing, without consent by any Issuer Party or CRC, as applicable, a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, or constituting an order for relief or approving a petition for relief or reorganization or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding-up or liquidation of such Issuer Party or CRC, or any such petition shall be filed against such Issuer Party or CRC and such petition shall not be dismissed within sixty (60) days; or

(i) any event occurs with respect to any Issuer Party or CRC which under the laws of any jurisdiction is analogous to any of the events described in Section 11(g) or Section 11(h), provided that the applicable grace period, if any, which shall apply shall be the one applicable to the relevant proceeding which most closely corresponds to the proceeding described in Section 11(g) or Section 11(h); or

(j) an ERISA Event shall have occurred, which together with all other such ERISA Events that have occurred, if any, could reasonably be expected to result in a Material Adverse Effect; or

(k) one or more monetary judgments or decrees shall be entered against any Issuer Party involving in the aggregate a liability (which liability is not paid or is not covered by a surety bond or available insurance as acknowledged in writing by the provider of such insurance or as certified to the holders of the Notes by the relevant Issuer Party or its authorized insurance representative) of $10,000,000 or more, and all such judgments or decrees shall not have been satisfied, vacated, discharged, stayed or bonded pending appeal within sixty (60) days from the entry thereof; or

(l) one or more non-monetary judgments or decrees shall be entered against any Issuer Party which could reasonably be expected to result in a Material Adverse Effect and all such judgments or decrees shall not have been vacated, discharged, stayed or bonded pending appeal within sixty (60) days from the entry thereof; or

(m) subject to Sections 11(n) or (o), any of the Note Documents shall cease (in each case, except in accordance with its terms and not related to any default thereunder) to be in full force and effect, or any Governmental Authority of competent jurisdiction shall declare such Note Documents void, or the Issuer or any Affiliate thereof shall so assert in writing or any security interest in the Collateral purported to be created by any Security Document shall cease to be, or shall be asserted in writing by any Issuer Party not to be, a valid and perfected security interest having the priority (subject to Permitted Liens) required by this Agreement or the relevant Security Document in any material portion of the securities, assets or properties covered thereby, except for the failure of the perfection of a Lien due to the failure of the Collateral Agent to continue to hold

Collateral delivered to it and required to be held in its possession pursuant to the terms of the Security Documents which does not arise from a breach by any Issuer Party of its obligations under any Note Document; or

(n) notwithstanding Section 11(m), CRC shall be in breach of, or default under, the Sponsor Support Agreement and any applicable cure period thereunder shall have expired with respect to such breach or default; or

(o) notwithstanding Section 11(m), the Sponsor Support Agreement shall cease for any reason to be in full force and effect; or

(p) Elk Hills Power shall have abandoned the operation or maintenance of the Project for a period of at least 30 consecutive days (other than as a result of a force majeure); provided that none of the following shall constitute abandonment: (a) scheduled maintenance of the Project, (b) repairs to the Project, whether or not scheduled, (c) a forced outage or scheduled outage of the Project or (d) any Event of Loss affecting the Project; or

(q) a CRC Debt Agreement Specified Default shall have occurred; or

(r) a sale of all or substantially all of Elk Hills Power and/or the Project or a Change of Control shall occur.

SECTION 12. REMEDIES ON DEFAULT, ETC.

12.1 Acceleration.

(a) If an Event of Default with respect to an Issuer Party described in Section 11(g), (h) or (i) has occurred, all the Notes then outstanding shall automatically become immediately due and payable.

(b) If any other Event of Default (other than an Event of Default described under paragraphs (a), (c) or (d) of this Section 12.1) has occurred and is continuing, the Collateral Agent (at the direction of the Required Holders given at any time at their option), by notice or notices to the Issuer, shall declare all the Notes then outstanding to be immediately due and payable.

(c) If any Event of Default described in Section 11(a) or (b) has occurred and is continuing, the Collateral Agent (at the direction of the Required Holders given at any time at their option), by notice or notices to the Issuer, shall declare all the Notes then outstanding to be immediately due and payable.

(d) If any Event of Default described in Section 11(q) has occurred and is continuing for 30 days, unless the relevant CRC Debt Agreement Specified Default is permanently cured or waived, the Collateral Agent (at the direction of the Required Holders given at any time at their option), by notice or notices to the Issuer, shall declare all the Notes then outstanding to be immediately due and payable. If the relevant CRC Debt Agreement Specified Default shall have been permanently cured and waived, then any Event of Default described in Section 11(q) relating thereto shall be deemed cured and no longer continuing.

(e) Upon any Notes becoming due and payable under this Section 12.1, whether automatically or by declaration, such Notes will forthwith mature and the entire unpaid principal amount of such Notes, plus all accrued and unpaid interest thereon (including interest accrued thereon at the Default Rate), shall all be immediately due and payable, in each and every case without presentment, demand, protest or further notice, all of which are hereby waived. The Issuer acknowledges, and the parties hereto agree, that each holder of a Note has the right to maintain its investment in the Notes free from repayment by the Issuer (except as herein specifically provided for).

12.2 Other Remedies.

(a) If any Default or Event of Default has occurred and is continuing, and irrespective of whether any Notes have become or have been declared immediately due and payable under Section 12.1, the holder of any Note at the time outstanding may proceed to protect and enforce the rights of such holder by an action at law, suit in equity or other appropriate proceeding, whether for the specific performance of any agreement contained herein or in any Note, or for an injunction against a violation of any of the terms hereof or thereof, or in aid of the exercise of any power granted hereby or thereby or by law or otherwise.

(b) If the Collateral Agent at any time receives a written notice signed by the Required Holders that an Event of Default has occurred and is continuing, the Collateral Agent will act, or decline to act, as directed in writing by the Required Holders, in the exercise and enforcement of the Collateral Agent's interests, rights, powers and remedies in respect of the Collateral or under the Security Documents or applicable law and, following the initiation of such exercise of remedies, the Collateral Agent will act, or decline to act, with respect to the manner of such exercise of remedies as directed in writing by the Required Holders.

(c) Notwithstanding anything to the contrary contained herein or in any other Note Document, the Collateral Agent shall only comply with written instructions or directions from the Required Holders with respect to the exercise and enforcement of the Collateral Agent's interests, rights, powers and remedies in respect of the Collateral or under the Security Documents and shall not comply with any such instructions or directions received from any other Person.

12.3 Rescission. At any time after any Notes have been declared due and payable pursuant to Section 12.1(b) or (c), the Collateral Agent (at the direction of the Required Holders, in their sole discretion), by written notice to the Issuer, may rescind and annul any such declaration and its consequences if (a) the Issuer has paid all overdue interest on the Notes, all principal on any Notes that are due and payable and are unpaid other than by reason of such declaration, and all interest on such overdue principal and (to the extent permitted by applicable law) any overdue interest in respect of the Notes, (b) neither the Issuer nor any other Person shall have paid any amounts which have become due solely by reason of such declaration, (c) all Events of Default and Defaults, other than non-payment of amounts that have become due solely by reason of such declaration, have been cured or have been waived pursuant to Section 17, and (d) no judgment or decree has been entered for the payment of any monies due pursuant hereto or to the Notes. No rescission and annulment under this Section 12.3 will extend to or affect any subsequent Event of Default or Default or impair any right consequent thereon.

12.4 No Waivers or Election of Remedies, Expenses, Etc. No course of dealing and no delay on the part of any holder of any Note in exercising any right, power or remedy shall operate as a waiver thereof or otherwise prejudice such holder's rights, powers or remedies. No right, power or remedy conferred by this Agreement, any Note or any other Note Document upon any holder thereof shall be exclusive of any other right, power or remedy referred to herein or therein or now or hereafter available at law, in equity, by statute or otherwise. Without limiting the obligations of the Issuer under Section 15, the Issuer will pay to the Collateral Agent, for the account of each holder of each Note, on demand such further amount as shall be sufficient to cover all costs and expenses of such holder incurred in any enforcement or collection under this Section 12, including reasonable attorneys' fees, expenses and disbursements.

12.5 Application of Proceeds.

(a) The Collateral Agent will apply the proceeds of any collection, sale, foreclosure or other realization upon any Collateral in the following order of application:

(i) *first*, to the payment of all amounts payable under this Agreement, the Collateral Agent Fee Letter or any of the other Note Documents on account of the Collateral Agent's fees and any fees, costs and expenses (including, without limitation, reasonable fees and expenses of counsel to the Collateral Agent), indemnities or other liabilities of any kind incurred by or owing to the Collateral Agent or any custodian or agent of the Collateral Agent in connection with this Agreement or any other Note Document or the performance by the Collateral Agent of its obligations hereunder or thereunder;

(ii) *second*, to each of the holders of the Notes in such amounts as the Collateral Agent is directed in writing by the holders of the Notes for the payment of the holders' reasonable fees, costs and expenses (including, without limitation, reasonable fees and expenses of counsel to the holders) of every kind incurred in connection with or incidental to the care of any Collateral or the rights of holders under this Agreement, any Security Document or any other Note Document;

(iii) *third*, to each of the holders of Notes in such amounts as the Collateral Agent is directed in writing by the Required Holders for the payment in whole or in part of the Obligations in such order as the Required Holders shall elect; and

(iv) *fourth*, any surplus remaining after the payment in full in cash of amounts described in the preceding clauses and any other amount required to be paid by any provision of law, will be paid to Issuer, its successors or assigns, or as a court of competent jurisdiction may direct.

(b) The provisions of this Section 12.5 are intended for the benefit of, and will be enforceable as a third party beneficiary by, each present and future Secured Party.

(c) In connection with the application of proceeds pursuant to this Section 12.5, except as otherwise directed in writing by the Required Holders, the Collateral Agent may sell any

non-cash proceeds for cash prior to the application of the proceeds thereof in accordance with the UCC.

SECTION 13. REGISTER; ASSIGNMENTS; SUBSTITUTION OF NOTES.

13.1 Register. The Collateral Agent, acting for this purpose as a non-fiduciary agent of the Issuer, shall maintain at one of its offices located in the United States a copy of each Transfer and Acceptance delivered to it and a register for the recordation of the names and addresses of the holders, and principal amount of the Notes (and stated interest amounts) owing to each holders pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive, absent manifest error, and the Issuer, the Collateral Agent, and the holders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a holder hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Issuer and, with respect to itself, any holder, at any reasonable time and from time to time upon reasonable prior notice. The Collateral Agent shall have the right, and the Issuer hereby expressly authorizes the Collateral Agent to (A) post the list of Disqualified Institutions provided on a Platform and/or (B) provide the list of Disqualified Institutions to each holder requesting the same. Upon its receipt of a duly completed Transfer and Acceptance executed by a transferring holder and a transferee and acknowledged by the Collateral Agent, the transferee's completed Administrative Questionnaire and applicable tax forms (unless the transferee shall already be a Purchaser or holder hereunder), the processing and recordation fee referred to in Section 13.2(b) and any written consent to such transfer required by Section 13.2(b), the Collateral Agent shall promptly accept such Transfer and Acceptance and record the information contained therein in the Register. No transfer, whether or not evidenced by a promissory note, shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this Section 13.1.

13.2 Transfer and Exchange of Notes.

(a) Subject to the conditions set forth in clause (b), below, any holder may at any time transfer to one or more transferees all or a portion of the Notes at the time owing to it. Notwithstanding the foregoing, no such transfer shall be made (i) to a natural Person or Disqualified Institution and (ii) unless such transfer will comply with applicable securities laws. For the avoidance of doubt, (i) the Collateral Agent shall bear no responsibility or liability for monitoring and enforcing the list of Persons who are Disqualified Institutions at any time and (ii) the Collateral Agent shall not (A) be obligated to ascertain, monitor or inquire as to whether any proposed transfer will comply with applicable securities laws or (B) have any liability with respect to or arising out of any transfer that does not comply with applicable securities laws. The Collateral Agent or the Issuer may require payment of a sum sufficient to cover any stamp tax or governmental charge imposed in respect of any such transfer of Notes. Any transferee, by its acceptance of a Note registered in its name (or the name of its nominee), shall be deemed to have made the representation set forth in Section 6.2.

(b) Transfers of Notes shall be subject to the following additional conditions:

(i) except in the case of a transfer to a Purchaser or an Affiliate of a Purchaser or a transfer of the entire amount of the transferring holder's Notes, the amount

of the Notes of the transferring holder subject to each such transfer (determined as of the date the Transfer and Acceptance with respect to such transfer is delivered to the Collateral Agent) shall not be less than $100,000, unless each of the Issuer and the Collateral Agent otherwise consents; provided that no such consent of the Issuer shall be required if an Event of Default under Section 11(a), (b), (g) or (h) has occurred and is continuing;

(ii) the parties to each transfer shall execute and deliver to the Collateral Agent a Transfer and Acceptance via an electronic settlement system or other method reasonably acceptable to the Collateral Agent, together with a processing and recordation fee in the amount of $3,500; provided that the Collateral Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any transfer;

(iii) the transferee, if it shall not be a then existing holder, shall deliver to the Collateral Agent an administrative questionnaire in a form approved by the Collateral Agent (the "**Administrative Questionnaire**") and applicable tax forms (as required under Section 14.3(d)).

(c) Any transferee, by its acceptance of a Note registered in its name or the name of its nominee, shall be deemed to have (i) acknowledged, approved and consented and agreed to the terms set forth in this Agreement and the Security Documents and (ii) made the representations set forth in the second sentence of Section 6.1 and Section 6.2 and to have expressly agreed to the provisions of Section 20 and Section 22.

(d) The Issuer hereby agrees that, upon request of any Purchaser at any time and from time to time after the Issuer has issued the Notes hereunder, the Issuer shall provide to such Purchaser, at the Issuer's own expense, a Note, substantially in the form of Exhibit 1, evidencing the Notes purchased by such Purchaser. Thereafter, unless otherwise agreed to by the applicable Purchaser, the Obligations evidenced by such Note and interest thereon shall at all times (including after transfer pursuant to Section 13) be represented by one or more Notes in such form payable to the order of the payee named therein (or, if requested by such payee, to such payee and its registered transferees).

(e) Upon its receipt of a duly completed Transfer and Acceptance executed by a transferring holder and a transferee and acknowledged by the Collateral Agent, the transferee's completed Administrative Questionnaire and applicable tax forms (unless the transferee shall already be a holder hereunder), the processing and recordation fee referred to in clause (b)(ii) of this Section 13.2 and any written consent to such transfer required by clause (a) of this Section 13.2, the Collateral Agent shall promptly accept such Transfer and Acceptance and record the information contained therein in the Register. No transfer, whether or not evidenced by a promissory note, shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this clause (e).

13.3 Replacement of Notes. Upon receipt by the Issuer at the address and to the attention of the designated officer specified in Section 18(iv) of evidence reasonably satisfactory to it of the ownership of and the loss, theft, destruction or mutilation of any Note (which evidence shall be, in the case of an Institutional Investor, notice from such Institutional Investor of such ownership and such loss, theft, destruction or mutilation), and

(a) in the case of loss, theft or destruction, of indemnity reasonably satisfactory to it (provided that if the holder of such Note is, or is a nominee for, a Purchaser or another holder of a Note with a minimum net worth of at least $100,000,000 or a Qualified Institutional Buyer, such Person's own unsecured agreement of indemnity shall be deemed to be satisfactory), or

(b) in the case of mutilation, upon surrender and cancellation thereof, within ten (10) Business Days thereafter, the Issuer at its own expense shall execute and deliver, in lieu thereof, a new Note, dated and bearing interest from the date to which interest shall have been paid on such lost, stolen, destroyed or mutilated Note or dated the date of such lost, stolen, destroyed or mutilated Note if no interest shall have been paid thereon.

SECTION 14. PAYMENTS ON NOTES.

14.1 Method and Place of Payment; Evidence of Debt.

(a) Except as otherwise specifically provided herein, all payments under this Agreement shall be made by the Issuer, without set-off, counterclaim or deduction of any kind, to the Collateral Agent for the ratable account of the holders entitled thereto, not later than 1:00 p.m. (New York City time), on the date when due and shall be made in immediately available funds to the Collateral Agent's account as the Collateral Agent shall specify for such purpose by notice to the Issuer. All repayments or redemptions of any Notes (whether of principal, interest or otherwise) hereunder shall be made in Dollars. The Collateral Agent will thereafter cause to be distributed on the same day (if payment was actually received by the Collateral Agent prior to 1:00 p.m. (New York City time) on such day (if such day is a Business Day) or, if not received by the Collateral Agent by such time, on the next Business Day in the Collateral Agent's sole discretion) like funds relating to the payment of principal or interest ratably to the holders entitled thereto. Any payments under this Agreement or the Notes that are made later than 1:00 p.m. (New York City time) may be deemed to have been made on the next succeeding Business Day in the Collateral Agent's sole discretion for purposes of calculating interest thereon. Except as otherwise provided herein, whenever any payment to be made hereunder shall be stated to be due on a day that is not a Business Day, the due date thereof shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest shall be payable during such extension at the applicable rate in effect immediately prior to such extension.

(b) Each holder shall maintain in accordance with its usual practice an account or accounts evidencing the Indebtedness of the Issuer to such holder resulting from each Note purchased by such holder from time to time, including the amounts of principal and interest payable and paid to such holder from time to time under this Agreement and the Notes.

(c) The Collateral Agent shall maintain the Register pursuant to Section 13.1, and a subaccount for each holder, in which Register and subaccounts (taken together) shall be recorded (i) the amount of each Note purchased hereunder, (ii) the amount of any principal or interest due and payable or to become due and payable from the Issuer to each holder hereunder and (iii) the amount of any sum received by the Collateral Agent hereunder from the Issuer for the account of a holder and each holder's share thereof.

(d) The entries made in the Register and accounts and subaccounts maintained pursuant to clauses (b) and (c) of this Section 14.1 shall, to the extent permitted by applicable law, be prima facie evidence of the existence and amounts of the obligations of the Issuer therein recorded; provided, however, that in the event of any inconsistency between the Register and any such account or subaccount, the Register shall govern; provided, further, that the failure of any holder or the Collateral Agent to maintain such account, such Register or subaccount, as applicable, or any error therein, shall not in any manner affect the obligation of the Issuer to repay (with applicable interest) the Notes purchased by such Purchaser in accordance with the terms of this Agreement.

14.2 [Reserved].

14.3 Net of Taxes.

(a) Any and all payments by or on account of any obligation of the Issuer under any Note Document shall be made without deduction or withholding for any Taxes, except as required by applicable Legal Requirements. If any applicable Legal Requirement (as determined in the good faith discretion of the applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent, shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable Legal Requirements and, if such Tax is an Indemnified Tax, then the sum payable by the Issuer, shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 14.3), the applicable holder of a Note receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) The Issuer shall indemnify each holder of the Notes and the Collateral Agent, within 10 days after written demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 14.3) payable or paid by such holder of a Note or required to be withheld or deducted from a payment to such holder and any reasonable out-of-pocket expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Issuer by a holder of the Notes shall be conclusive absent manifest error.

(c) As soon as practicable after any payment of Taxes by the Issuer to a Governmental Authority pursuant to this Section 14.3, the Issuer shall deliver to the relevant holders of the Notes the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the holders of the Notes.

(d) Any holder of the Notes that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Note Document shall deliver to the Issuer and the Collateral Agent, at the time or times reasonably requested by the Issuer or the Collateral Agent, such properly completed and executed documentation reasonably requested by

the Issuer or the Collateral Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any holder of the Notes, if reasonably requested by the Issuer or the Collateral Agent, shall deliver such other documentation prescribed by applicable Legal Requirements or reasonably requested by the Issuer or the Collateral Agent as will enable the Issuer or the Collateral Agent, as applicable, to determine whether or not such holder of the Notes is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 14.3(d)(i), 14.3(d)(ii) and 14.3(d)(iv) below) shall not be required if in the reasonable judgment of the holder of the Notes such completion, execution or submission would subject such holder of the Notes to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such holder. Without limiting the generality of the foregoing:

(i) Any U.S. Holder shall deliver to the Issuer or the Collateral Agent on or prior to the date on which such Person becomes a U.S. Holder (and from time to time thereafter upon the reasonable request of the Issuer), executed copies of IRS Form W-9 certifying that such U.S. Holder is exempt from U.S. federal backup withholding tax;

(ii) Any Foreign Holder shall, to the extent it is legally entitled to do so, deliver to the Issuer (in such number of copies as shall be requested by the Issuer) and the Collateral Agent on or prior to the date on which such Person becomes a Foreign Holder and from time to time thereafter upon the reasonable request of the Issuer, whichever of the following is applicable:

(A) in the case of a Foreign Holder claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Note Document, executed copies of IRS Form W-8BEN-E or W-8BEN, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Note Document, executed copies of IRS Form W-8BEN-E or W-8BEN, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(B) executed copies of IRS Form W-8ECI;

(C) in the case of a Foreign Holder claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit 14.3-A to the effect that such Foreign Holder is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Issuer within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code and (y) executed copies of IRS Form W-8BEN-E or W-8BEN, as applicable; or

(D) to the extent a Foreign Holder is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN-E or W-8BEN, a certificate substantially in the form of Exhibit

14.3-B or Exhibit 14.3-C, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Holder is a partnership and one or more direct or indirect partners of such Foreign Holder are claiming the portfolio interest exemption, such Foreign Holder may provide a certificate substantially in the form of Exhibit 14.3-D on behalf of each such direct and indirect partner;

(iii) any Foreign Holder shall, to the extent it is legally entitled to do so, deliver to the Issuer (in such number of copies as shall be requested by the Issuer) and the Collateral Agent on or prior to the date on which such Person becomes a Foreign Holder (and from time to time thereafter upon the reasonable request of the Issuer), executed copies of any other form prescribed by applicable Legal Requirements as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable Legal Requirements to permit the Issuer to determine the withholding or deduction required to be made; and

(iv) if a payment made to a holder of the Notes under any Note Document would be subject to Tax imposed by FATCA if such holder of the Notes were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such holder of the Notes shall deliver to the Issuer and the Collateral Agent at the time or times prescribed by applicable Legal Requirements and at such time or times reasonably requested by the Issuer or the Collateral Agent such documentation prescribed by applicable Legal Requirements (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Issuer or the Collateral Agent as may be necessary for the Issuer or the Collateral Agent, as applicable, to comply with its obligations under FATCA and to determine that such holder of the Notes has complied with its obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (iv), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(v) Each holder of the Notes agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Issuer and the Collateral Agent in writing of its legal inability to do so.

(e) If any holder determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 14.3 (including by the payment of additional amounts pursuant to this Section 14.3), it shall pay to the Issuer an amount equal to such refund (but only to the extent of indemnity payments made under this Section 4.3 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). The Issuer, upon the request of such holder, shall repay to such holder the amount paid over pursuant to this Section 14.3(e) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such holder is required to repay such refund to such Governmental

Authority. Notwithstanding anything to the contrary in this Section 14.3(e), in no event will the holder be required to pay any amount to the Issuer pursuant to this Section 14.3(e) the payment of which would place the holder in a less favorable net after-Tax position than the holder would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This Section 14.3(e) shall not be construed to require any holder to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the Issuer or any other Person.

(f) The obligations of the Issuer and each holder under this Section 14.3 will survive the payment or transfer of any Note, the enforcement, amendment or waiver of any provision of this Agreement, the Notes or any other Note Document, and the termination of this Agreement or any other Note Document.

SECTION 15. EXPENSES, ETC.

15.1 Transaction Expenses.

(a) The Issuer will pay all reasonable and documented out-of-pocket costs and expenses (including (x) attorneys' fees of one special counsel of the Purchasers and, if reasonably required by the Required Holders, a single local counsel of the Purchasers, (and solely in the case of a conflict of interest, one additional counsel in each relevant material jurisdiction, but specifically excluding any separate counsel engaged by any individual Purchaser or holder of a Note), (y) attorneys' fees of one primary counsel to the Collateral Agent and, if reasonably required by the Collateral Agent, a single local counsel of the Collateral Agent in each relevant material jurisdiction and (z) fees of the Independent Engineer, if any; provided that the Issuer shall only be required to pay up to $250,000 for the fees of the Independent Engineer in any fiscal year) incurred by the Collateral Agent, the Purchasers and each other holder of a Note in connection with the consummation of the transactions contemplated hereby, any amendments, waivers or consents under or in respect of this Agreement or the Notes or any other Note Documents (whether or not such amendment, waiver or consent becomes effective), and the administration of this Agreement and the other Note Documents and the transactions contemplated hereby and thereby, including: (i) the reasonable and documented costs and expenses incurred in enforcing or defending (or determining whether or how to enforce or defend) any rights under this Agreement or the other Note Documents or in responding to any subpoena or other legal process or informal investigative demand issued in connection with this Agreement or the other Note Documents, or by reason of being a holder of any Note or the Collateral Agent, as applicable, (ii) if an Event of Default has occurred and is continuing, the reasonable and documented costs and expenses, including financial advisors' fees, incurred in connection with the insolvency or bankruptcy of the Issuer or in connection with any work-out or restructuring of the transactions contemplated hereby and by the other Note Documents, (iii) the costs and expenses, including reasonable attorney's fees, of preparing, recording and filing all financing statements, instruments and other documents to create, perfect and fully preserve the liens granted pursuant to the Note Documents and the rights of the holders of the Notes or of the Collateral Agent for the benefit of the holders of the Notes and (iv) the costs and expenses incurred in connection with the initial filing of this Agreement and all related documents and financial information with the SVO; provided, that such costs and expenses

under this clause (iv) shall not exceed $5,000. If required by the NAIC and requested by any holder, the Issuer shall obtain and maintain at its own cost and expense a Legal Entity Identifier (LEI).

(b) The Issuer will pay, and will save each Purchaser and each other holder of a Note harmless from, (i) any and all wire transfer fees that any bank or other financial institution deducts from any payment under such Note to such holder or otherwise charges to a holder of a Note with respect to a payment under such Note, and (ii) any judgment, liability, claim, order, decree, fine, penalty, cost, fee, expense (including reasonable attorneys' fees and expenses) or obligation in each case by a third party resulting from the consummation of the transactions contemplated hereby, including the use of the proceeds of the Notes by the Issuer, other than, in the cause of clause (ii), any such judgment, liability, claim, order, decree, fine, penalty, cost, fee, expense or obligation (A) resulting from such Purchaser's or holder's bad faith, fraud, gross negligence or willful misconduct, as determined by a final non-appealable decision of a court of competent jurisdiction, or breach of this Agreement, (B) resulting from a dispute solely amongst the Purchasers, holders or the Secured Parties, (C) arising out of or in connection with any investigation, litigation or proceeding not involving an Issuer Party, or (D) with respect to any Taxes except to the extent arising from any non-Tax judgment, liability, claim, etc. Notwithstanding anything to the contrary contained herein, any damages otherwise indemnifiable under clause (ii) of this Section 15.1(b) shall be reduced by the amount of insurance proceeds actually recovered by the Purchasers and holders in respect of such damages (net of costs of collection, deductibles and retro-premium adjustments).

(c) The Issuer agrees to defend, indemnify, pay and hold harmless the Collateral Agent and each of its Affiliates and each and all of their respective directors, officers, partners, trustees, employees, attorneys and agents, and (in each case) their respective heirs, representatives, successors and assigns (each of the foregoing, an "**Agent Indemnitee**") from and against any and all Indemnified Liabilities, **IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY, OR SOLE NEGLIGENCE OF SUCH INDEMNITEE**; provided, no Agent Indemnitee will be entitled to indemnification hereunder with respect to any Indemnified Liability to the extent such Indemnified Liability is found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of such Indemnitee. To the extent that the undertakings to defend, indemnify, pay and hold harmless set forth in this Section 15.1(c) may be unenforceable in whole or in part because they are violative of any law or public policy, the Issuer shall contribute the maximum portion that it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all Indemnified Liabilities incurred by Agent Indemnitees or any of them.

(d) All amounts due under this Section 15.1 will be payable upon demand.

(e) The agreements in this Section 15.1 will survive repayment of all Obligations and the removal or resignation of the Collateral Agent.

15.2 Certain Taxes. The Issuer agrees to pay all recording, filing, intangible, stamp, documentary or similar Taxes which may be payable in respect of the execution and delivery or the enforcement of this Agreement or the execution and delivery (but not the transfer) or the enforcement of any of the Notes in the United States or any other jurisdiction where the Issuer has

assets or of any amendment of, or waiver or consent under or with respect to, this Agreement or of any of the Notes, and will indemnify each holder of a Note, within 10 days after written demand therefor, against any payment, loss or liability resulting from or attributable to any such Taxes required to be paid by the Issuer hereunder. A certificate as to the amount of such payment, loss or liability delivered to the Issuer by a holder of the Notes shall be conclusive absent manifest error.

15.3 Survival. The obligations of the Issuer under this Section 15 will survive the payment or transfer of any Note, the enforcement, amendment or waiver of any provision of this Agreement, the Notes or any other Note Document, and the termination of this Agreement or any other Note Document.

SECTION 16. SURVIVAL OF REPRESENTATIONS AND WARRANTIES; ENTIRE AGREEMENT.

All representations and warranties contained herein shall survive the execution and delivery of this Agreement and the Notes, the purchase or transfer by any Purchaser of any Note or portion thereof or interest therein and the payment of any Note, and may be relied upon by any subsequent holder of a Note, regardless of any investigation made at any time by or on behalf of such Purchaser or any other holder of a Note. All statements contained in any certificate or other instrument delivered by the Issuer pursuant to this Agreement shall be deemed to be representations and warranties of the Issuer under this Agreement. Subject to the preceding sentence, this Agreement and the other Note Documents embody the entire agreement and understanding between each Purchaser and the Issuer and supersede all prior agreements and understandings relating to the subject matter hereof.

SECTION 17. AMENDMENT AND WAIVER.

17.1 Requirements. This Agreement, the Notes and the other Note Documents may be amended, and the observance of any term hereof or of the Notes may be waived (either retroactively or prospectively), only with the written consent of the Issuer and the Required Holders, except that:

(a) no amendment or waiver of any of Section 1, Section 2, Section 3, Section 4, Section 6 or Section 21 hereof, or any defined term (as it is used therein), will be effective as to any Purchaser unless consented to by such Purchaser in writing;

(b) no amendment or waiver (i) other than in connection with a transaction permitted under Section 10.7, may release all or substantially all of the Collateral in any transaction or series of related transactions or (ii) release all or substantially all of the aggregate value of the CRC Guaranty Agreement, in each case unless consented to by each holder in writing;

(c) no amendment or waiver of any of Section 10.1 or Section 10.2 hereof, or any defined term (as it is used therein), will be effective unless consented to by each holder in writing;

(d) no amendment or waiver may, without the written consent of each Purchaser and the holder of each Note at the time outstanding affected thereby, (i) subject to

Section 12 relating to acceleration or rescission, change the amount or time of any prepayment or payment of principal of the Notes, or reduce the rate or change the amount or time of payment or method of computation of interest on the Notes, (ii) change the percentage of the principal amount of the Notes the holders of which are required to consent to any amendment or waiver, or (iii) amend any of Section 8 (except as set forth in Section 8.2), Section 11(a) or (b), Section 12, Section 17 or Section 20; and

(e) Section 8.5 may be amended or waived to permit offers to purchase made by the Issuer or an Affiliate of the Issuer pro rata to the holders of all Notes at the time outstanding upon the same terms and conditions only with the written consent of the Issuer and the Super-Majority Holders.

Notwithstanding the foregoing, (i) no amendment, waiver or consent shall, unless in writing and signed by the Collateral Agent, in addition to all of the holders, the Required Holders or all holders affected thereby, as the case may be, affect the rights or duties of the Collateral Agent under this Agreement or any other Note Document and (ii) the Collateral Agent Fee Letter may only be amended, or rights or privileges thereunder waived, in a writing executed by the parties thereto.

The Issuer shall promptly (and in any event within three Business Days after the effectiveness thereof) notify the Collateral Agent in writing of the effectiveness of each amendment, waiver or consent under this Section 17.1, and provide an executed copy thereof to the Collateral Agent.

17.2 Solicitation of Holders of Notes.

(a) *Solicitation.* The Issuer will provide to the Collateral Agent (for distribution to the requisite Purchasers or holders of a Note) in respect of a proposed amendment, waiver or consent to this Agreement or another Note Document sufficient information, sufficiently far in advance of the date a decision is required, to enable such Purchaser or other holder to make an informed and considered decision with respect to any such proposed amendment, waiver or consent in respect of any of the provisions hereof or of the Notes or other applicable Note Document. The Issuer will deliver executed or true and correct copies of each amendment, waiver or consent effected pursuant to this Section 17 to the Collateral Agent promptly following the date on which it is executed and delivered by, or receives the consent or approval of, the requisite Purchasers or holders of Notes.

(b) *Payment.* The Issuer will not directly or indirectly pay or cause to be paid any remuneration, whether by way of supplemental or additional interest, fee or otherwise, or grant any security or provide other credit support, to any Purchaser or holder of a Note as consideration for or as an inducement to the entering into by such Purchaser or holder of any waiver or amendment of any of the terms and provisions hereof or of any Note unless such remuneration is concurrently paid, or security is concurrently granted or other credit support concurrently provided, on the same terms, ratably to each Purchaser and each holder of a Note then outstanding even if such Purchaser or holder did not consent to such waiver or amendment.

(c) *Consent in Contemplation of Transfer*. Any consent given pursuant to this Section 17 by a holder of a Note that has transferred or has agreed to transfer its Note to (i) the Issuer or any Affiliate of the Issuer or (ii) any other Person in connection with, or in anticipation

of, such other Person acquiring, making a tender offer for or merging with the Issuer and/or any of its Affiliates, in each case in connection with such consent, shall be void and of no force or effect except solely as to such holder, and any amendments effected or waivers granted or to be effected or granted that would not have been or would not be so effected or granted but for such consent (and the consents of all other holders of Notes that were acquired under the same or similar conditions) shall be void and of no force or effect except solely as to such holder.

17.3 Binding Effect, Etc. Any amendment or waiver consented to as provided in this Section 17 applies equally to all Purchasers and holders of Notes and is binding upon them and upon each future holder of any Note and upon the Issuer without regard to whether such Note has been marked to indicate such amendment or waiver. No such amendment or waiver will extend to or affect any obligation, covenant, agreement, Default or Event of Default not expressly amended or waived or impair any right consequent thereon. No course of dealing between the Issuer and any Purchaser or holder of a Note and no delay in exercising any rights hereunder or under any Note shall operate as a waiver of any rights of any Purchaser or holder of such Note.

17.4 Notes Held by Issuer, Etc. Solely for the purpose of determining whether the holders of the requisite percentage of the aggregate principal amount of Notes then outstanding approved or consented to any amendment, waiver or consent to be given under this Agreement or the Notes, or have directed the taking of any action provided herein or the Notes to be taken upon the direction of the holders of a specified percentage of the aggregate principal amount of Notes then outstanding, Notes directly or indirectly owned by the Issuer or any of its Affiliates shall be deemed not to be outstanding.

SECTION 18. NOTICES.

Except to the extent otherwise provided in Section 7.4, all notices and communications provided for hereunder shall be in writing and sent (a) by telecopy if the sender on the same day sends a confirming copy of such notice by an internationally recognized overnight delivery service (charges prepaid), or (b) by registered or certified mail with return receipt requested (postage prepaid), or (c) by an internationally recognized overnight delivery service (charges prepaid) or (d) by electronic mail. Any such notice must be sent:

(i) if to any Purchaser or its nominee, to such Purchaser or nominee at the address specified for such communications in the latest version of the Register received by the Collateral Agent in accordance with Section 13.1, or at such other address, telecopy number or electronic mail address as such Purchaser or nominee shall have specified to the Issuer and the Collateral Agent in writing,

(ii) if to any other holder of any Note, to such holder at such address, telecopy number or electronic mail address in the latest version of the Register received by the Collateral Agent in accordance with Section 13.1, or as such other holder shall have specified to the Issuer and the Collateral Agent in writing,

(iii) if to the Collateral Agent, to the Collateral Agent at the following address, telecopy number or electronic mail address, or at such other address, telecopy number or

electronic mail address as the Collateral Agent shall have specified to the Issuer and the holder of each Note in writing:

Wilmington Trust, National Association
1100 North Market Street
Wilmington, DE 19890
Attention: Joseph B. Feil
Telephone: (302) 636-6466
Email: jfeil@wilmingtontrust.com

with a copy to (which shall not constitute notice):

Arnold & Porter Kaye Scholer LLP
250 West 55th Street
New York, NY 10019
Attention: Alan Glantz
Telephone: (212) 836-7253
Email: alan.glantz@arnoldporter.com

with a copy to (which shall not constitute notice):

Kirkland & Ellis LLP
609 Main St.
Houston, TX 77002
Attention: John Pitts, P.C.; Lucas E. Spivey, P.C.
Email: john.pitts@kirkland.com; lucas.spivey@kirkland.com

(iv) if to the Issuer, to the Issuer at the following address, telecopy number or electronic mail address, or at such other address, telecopy number or electronic mail address as the Issuer shall have specified to the Collateral Agent in writing:

EHP Midco Holding Company, LLC
27200 Tourney Road, Suite 200
Santa Clarita, California 91355
Attention: General Counsel
Email: michael.preston@crc.com

with a copy to (which shall not constitute notice):

Sullivan & Cromwell LLP
1888 Century Park East, 21st Floor
Los Angeles, California 90067-1725
Attention: Alison S. Ressler and John E. Estes
Email: resslera@sullcrom.com and estesj@sullcrom.com

Notices under this Section 18 shall be deemed to be given or made upon the earlier to occur of (i) actual receipt by the relevant party hereto and (ii)(A) if delivered by hand or by courier, when

signed for by or on behalf of the relevant party hereto, (B) if delivered by mail, three Business Days after deposit in the mails, postage prepaid, (C) if delivered by telecopy, when sent and receipt has been confirmed by telephone, and (D) if delivered by electronic mail, when delivered.

SECTION 19. REPRODUCTION OF DOCUMENTS.

This Agreement and all documents relating thereto, including (a) consents, waivers and modifications that may hereafter be executed, (b) documents received by any Purchaser at the Closing (except the Notes themselves), and (c) financial statements, certificates and other information previously or hereafter furnished to any Purchaser, may be reproduced by such Purchaser by any photographic, photostatic, electronic, digital, or other similar process and such Purchaser may destroy any original document so reproduced. The Issuer agrees and stipulates that, to the extent permitted by applicable law, any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by such Purchaser in the regular course of business) and any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence. This Section 19 shall not prohibit the Issuer or any other holder of Notes from contesting any such reproduction to the same extent that it could contest the original, or from introducing evidence to demonstrate the inaccuracy of any such reproduction.

SECTION 20. CONFIDENTIAL INFORMATION.

(a) For the purposes of this Section 20, "**Confidential Information**" means information delivered to any Purchaser, holder of any Note or the Collateral Agent by or on behalf of any Issuer Party or any of their respective Affiliates in connection with the transactions contemplated by or otherwise pursuant to this Agreement that is proprietary in nature, including all such information made available to a Purchaser, holder of any Note or the Collateral Agent in a data room and in response to the due diligence questions and the Note Documents, provided that such term does not include information that such Purchaser, holder of any Note or the Collateral Agent, as applicable, can reasonably demonstrate (i) was publicly known or otherwise known to such Secured Party prior to the time of such disclosure, (ii) subsequently becomes publicly known through no act or omission by such Secured Party or any Person acting on such Secured Party's behalf, (iii) otherwise becomes known to such Secured Party other than through disclosure by any Issuer Party on a non-confidential basis or (iv) constitutes financial statements delivered to such Secured Party under Section 7.1 that are otherwise publicly available.

(b) Each Purchaser and the Collateral Agent will maintain the confidentiality of such Confidential Information in accordance with procedures adopted and implemented by such Secured Party in good faith to protect confidential information of third parties delivered to such Secured Party; provided that such Secured Party may deliver or disclose Confidential Information to (i) its directors, officers, employees, agents, attorneys, trustees, general and limited partners, equity owners and affiliates in each case on a need to know basis and who are informed of the confidential nature of such Confidential Information and are or have been advised of their obligation to keep such Confidential Information confidential in accordance with this Section 20, (ii) its auditors, financial advisors and other professional advisors who agree to hold confidential the Confidential Information substantially in accordance with this Section 20, (iii) any other holder of any Note, (iv) any Institutional Investor to which it sells or offers to sell such Note or any part

thereof or any participation therein (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by this Section 20), (v) any Person from which it offers to purchase any Security of any Issuer Party (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by this Section 20), (vi) any federal or state regulatory authority having jurisdiction over such Secured Party; provided that the party from whom disclosure is being required shall give notice thereof to the Issuer prior to disclosure of such information (unless restricted from doing so or unless such disclosure is required or requested in the course of routine regulatory reviews or audits) and uses commercially reasonable efforts to ensure that such regulatory authority maintains the confidentiality of such Confidential Information and such disclosure is limited to that Confidential Information as requested to be delivered, (vii) the NAIC or the SVO or, in each case, any similar organization, or any nationally recognized rating agency, in each case to the extent that it requires access to information about such Purchaser's investment portfolio; provided that the party from whom disclosure is being required shall give notice thereof to the Issuer prior to disclosure of such information (unless restricted from doing) and uses commercially reasonable efforts to ensure that such agency maintains the confidentiality of such Confidential Information and such disclosure is limited to that Confidential Information as requested to be delivered, or (viii) any other Person to which such delivery or disclosure may be necessary or appropriate (w) to effect compliance with any law, rule, regulation or order applicable to such Secured Party, (x) in response to any subpoena or other legal process, (y) in connection with any litigation to which such Secured Party is a party or (z) if an Event of Default has occurred and is continuing, to the extent such Secured Party may reasonably determine such delivery and disclosure to be necessary or appropriate in the enforcement or for the protection of the rights and remedies under any Note Document, provided that such Secured Party uses reasonable efforts to ensure that the recipient of such information maintains the confidentiality of such Confidential Information. Each holder of a Note, by its acceptance of a Note, will be deemed to have agreed to be bound by and to be entitled to the benefits of this Section 20 as though it were a party to this Agreement. On reasonable request by the Issuer in connection with the delivery to any holder of a Note of information required to be delivered to such holder under this Agreement or requested by such holder (other than a holder that is a party to this Agreement or its nominee), such holder will enter into an agreement with the Issuer embodying this Section 20.

(c) Each holder of a Note, by its acceptance of a Note, acknowledges that information furnished to it pursuant to this Agreement or the other Note Documents may include Confidential Information concerning the Issuer Parties and their respective Affiliates and their related parties or their respective securities.

(d) In the event that as a condition to receiving access to information relating to any Issuer Party in connection with the transactions contemplated by or otherwise pursuant to this Agreement, any Purchaser or holder of a Note is required to agree to a confidentiality undertaking (whether through IntraLinks, another secure website, a secure virtual workspace or otherwise) which is different from this Section 20, this Section 20 shall stay in place with respect to the information and shall not be amended thereby and, as between such Purchaser or such holder and any Issuer Party, this Section 20 shall supersede any such other confidentiality undertaking.

SECTION 21. SUBSTITUTION OF PURCHASER.

Each Purchaser shall have the right to substitute any one of its Affiliates or another Purchaser or any one of such other Purchaser's Affiliates (a "**Substitute Purchaser**") as the purchaser of the Notes that it has agreed to purchase hereunder, by written notice to the Issuer, which notice shall be signed by both such Purchaser and such Substitute Purchaser, shall contain such Substitute Purchaser's agreement to be bound by this Agreement and shall contain a confirmation by such Substitute Purchaser of the accuracy with respect to it of the representations set forth in Section 6, provided that any substitution hereunder is subject to the requirements under Section 13 (and shall not become effective unless the requirements of Section 13 have been complied with). Upon receipt of such notice, any reference to such Purchaser in this Agreement (other than in this Section 21), shall be deemed to refer to such Substitute Purchaser in lieu of such original Purchaser. In the event that such Substitute Purchaser is so substituted as a Purchaser hereunder and such Substitute Purchaser thereafter transfers to such original Purchaser all of the Notes then held by such Substitute Purchaser, upon receipt by the Issuer of notice of such transfer, any reference to such Substitute Purchaser as a "Purchaser" in this Agreement (other than in this Section 21), shall no longer be deemed to refer to such Substitute Purchaser, but shall refer to such original Purchaser, and such original Purchaser shall again have all the rights of an original holder of the Notes under this Agreement.

SECTION 22. COLLATERAL AGENT; CONSULTANTS.

22.1 Appointment and Duties Appointment.

(a) Appointment. Each Purchaser and holder of a Note hereby appoints Wilmington Trust, National Association to act as Collateral Agent hereunder and under the Security Documents and the other Note Documents, and authorizes the Collateral Agent to take such actions on its behalf and to exercise such powers as are delegated to the Collateral Agent by the terms of the Note Documents, together with such actions and powers as are reasonably incidental thereto.

(b) Duties as Collateral Agent. Without limiting the generality of clause (a) above, the Collateral Agent shall have the sole and exclusive right and authority, in each case to the extent so directed to do so in writing by the Required Holders, and is hereby authorized, to (i) accept, enter into, hold, maintain, administer and enforce all Security Documents, including all Collateral subject thereto, and all Liens created thereunder, perform its obligations under the Security Documents and protect, exercise and enforce the interests, rights, powers and remedies granted or available to it under, pursuant to or in connection with the Security Documents, (ii) take all lawful and commercially reasonable actions permitted under the Security Documents that it may deem necessary or advisable to protect or preserve its interest in the Collateral subject thereto and such interests, rights, powers and remedies, (iii) deliver and receive notices pursuant to the Security Documents, (iv) sell, assign, collect, assemble, foreclose on, institute legal proceedings with respect to, or otherwise exercise or enforce the rights and remedies of a secured party (including a mortgagee, trust deed beneficiary and insurance beneficiary or loss payee) with respect to the Collateral under the Security Documents and its other interests, rights, powers and remedies, (v) remit as provided in Section 12.5 all cash proceeds received by the Collateral Agent from the collection, foreclosure or enforcement of its interest in the Collateral under the Security

Documents or any of its other interests, rights, powers or remedies, (vi) execute and deliver amendments to the Security Documents; and (vii) release any Lien granted to it by any Security Document upon any Collateral if and as required under this Agreement or any other Security Document.

(c) Limited Duties. Under this Agreement and any other Note Document, the Collateral Agent (i) is acting solely on behalf of the Secured Parties, with duties that are entirely administrative in nature, notwithstanding the use of the defined term "Collateral Agent", the terms "agent", "Agent" and "collateral agent" and similar terms in this Agreement or in any other Note Document to refer to the Collateral Agent, which terms are used for title purposes only and (ii) is not assuming and shall not have any actual or implied obligations, functions, responsibilities, duties, under this Agreement or in any other Note Document other than as expressly set forth therein or any role as agent, fiduciary or trustee of or for any Secured Party or any other Person, and each Secured Party, by accepting the benefits of this Agreement and the other Note Documents, hereby waives and agrees not to assert any claim against the Collateral Agent based on the roles, duties and legal relationships expressly disclaimed in clauses (i) and (ii) above.

22.2 Binding Effect. Each Secured Party, by accepting the benefits of this Agreement and the other Note Documents, agrees that (i) any action taken (or omitted to be taken) by the Collateral Agent in accordance with the provisions of this Agreement or the other Note Documents, (ii) any action taken (or omitted to be taken) by the Collateral Agent in reliance upon the instructions of Required Holders (or, where so required, such greater proportion) and (iii) the exercise by the Collateral Agent of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of the Secured Parties.

22.3 Use of Discretion.

(a) No Action without Instructions. The Collateral Agent shall not be required to exercise any discretion or take, or to omit to take, any action, including with respect to enforcement or collection, except any action it is expressly required to take or omit to take (i) under this Agreement or any other Note Document or (ii) pursuant to instructions from the Required Holders (or, where expressly required by the terms of this Agreement, a greater proportion of the holders of the Notes). The Collateral Agent shall be fully justified in failing or refusing to take any action under any Note Document unless it shall first receive such advice or concurrence of the Required Holders (or, where expressly required by the terms of this Agreement, a greater proportion of the holders of the Notes) as it deems appropriate and, if it so requests, it shall first be indemnified by the holders against any liability and expense which may be incurred by it by reason of taking such action.

(b) Right Not to Follow Certain Instructions. Notwithstanding clause (a) above, the Collateral Agent shall not be required to take, or to omit to take, any action that is, in the opinion of the Collateral Agent or its counsel, contrary to this Agreement or any other Note Document or applicable law.

(c) Exclusive Right to Enforce Rights and Remedies. Notwithstanding anything to the contrary contained herein or in any other Note Document, the authority granted to

the Collateral Agent to enforce rights and remedies hereunder and under the other Note Documents against the Issuer Parties or any of them or otherwise to take any action (or refrain from taking any action) shall be subject to written direction by the Required Holders, and all actions taken by the Collateral Agent in such capacity shall be in accordance with the Note Documents and for the benefit of all the Secured Parties; provided that the foregoing shall not prohibit (i) the Collateral Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as the Collateral Agent) hereunder and under the other Note Documents or (ii) any Secured Party from filing proofs of claim (and thereafter appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Issuer Party under any bankruptcy or other debtor relief law), but in the case of this clause (ii) if, and solely if, the Collateral Agent has not filed such proof of claim or other instrument of similar character in respect of the Obligations within five (5) days before the expiration of the time to file the same, provided, further, that if at any time there is no Person acting as Collateral Agent hereunder and under the other Note Documents, then (x) the Required Holders shall have the rights otherwise ascribed to the Collateral Agent pursuant to Section 12.5 and (y) in addition to the matters set forth in clauses (ii) and (ii) of the preceding proviso, any holder may, with the consent of the Required Holders, enforce any rights and remedies available to it and as authorized by the Required Holders.

(d) Proof of Claims. In case of the pendency of any proceeding under the bankruptcy, insolvency, reorganization, moratorium or other similar law of any jurisdiction, the Collateral Agent shall be entitled and empowered (but not obligated) to file and prove a claim for the whole amount of the Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the holders allowed in such judicial proceeding; and to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same. Any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each holder of the Notes to make such payments to the Collateral Agent and, in the event that the Collateral Agent shall consent to the making of such payments directly to the olders, to pay to the Collateral Agent any amount due for the compensation, expenses, disbursements and advances of the Collateral Agent and its agents and counsel, and any other amounts due the Collateral Agent under this Agreement and the other Note Documents.

22.4 Delegation of Rights and Duties. The Collateral Agent may, upon any term or condition it specifies, delegate or exercise any of its rights, powers and remedies under, and delegate or perform any of its duties or any other action with respect to, this Agreement and any other Note Document by or through any trustee, co-agent, sub-agent employee, attorney-in-fact and any other Person (including any Secured Party). Any such Person shall benefit from this Section 22. The Collateral Agent shall not be responsible for the negligence or misconduct of any co-agents or sub-agents except to the extent that a court of competent jurisdiction determines in a final and non-appealable judgment that the Collateral Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

22.5 Reliance and Liability.

(a) The Collateral Agent may, without incurring any liability hereunder, (i) treat the payee of any Note as its holder until such Note has been transferred in accordance with Section 13.2, (ii) rely on the latest version of the Register received by the Collateral Agent in

accordance with Section 13.1, or on a certificate from the Required Holders stating that the Required Holders have directed or consented to any action in connection with the Note Documents, (iii) consult with any of its Related Persons and, whether or not selected by it, any other advisors, accountants and other experts (including advisors to, and accountants and experts engaged by, any Issuer Party) and (iv) rely and act upon any document and information and any telephone message or conversation, in each case believed by it to be genuine and transmitted, signed or otherwise authenticated by the appropriate parties. The Collateral Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) in good faith believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Collateral Agent also may rely upon any statement made to it orally or by telephone and in good faith believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. The Collateral Agent may consult with legal counsel (who may be counsel for the Issuer), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

(b) None of the Collateral Agent and its Related Persons shall be liable for any action taken or omitted to be taken by any of them under or in connection with this Agreement or any other Note Document: (i) with the consent or at the request of the Required Holders (or such other number or percentage of the holders as shall be expressly provided for herein or in the other Note Documents) or (ii) in the absence of its own gross negligence or willful misconduct (each as determined in a final, non-appealable judgment by a court of competent jurisdiction). Without limiting the foregoing, the Collateral Agent and its Related Persons:

(i) shall not be responsible or otherwise incur liability for any action or omission taken in reliance upon the written instructions of the Required Holders or for the actions or omissions of any of its Related Persons selected with reasonable care (other than employees, officers and directors of the Collateral Agent, when acting on behalf of the Collateral Agent);

(ii) shall not be responsible to any Secured Party or other Person for (x) the due execution, legality, validity, enforceability, effectiveness, genuineness, sufficiency or value of, or the attachment, perfection or priority of any Lien created or purported to be created under or in connection with, this Agreement or any other Note Document, (y) determining whether the Liens granted to the Collateral Agent pursuant to any Security Document have been properly or sufficiently or lawfully created, perfected, protected or enforced or are entitled to any particular priority or (z) the value or suffiency of any Collateral;

(iii) makes no warranty or representation, and shall not be responsible, to any Secured Party or other Person for any statement, document, information, representation or warranty made or furnished by or on behalf of any Issuer Party or any Related Person of any Issuer Party in connection with this Agreement or any other Note Document or any transaction contemplated therein or any other document or information with respect to any Issuer Party, whether or not transmitted or omitted to be transmitted by the Collateral Agent, including as to completeness, accuracy, scope or adequacy thereof,

or for the scope, nature or results of any due diligence performed by the Collateral Agent in connection with this Agreement or any other Note Document;

(iv) shall not have any duty to ascertain or to inquire as to the performance or observance of any provision of this Agreement or any other Note Document, whether any condition set forth in this Agreement or any other Note Document is satisfied or waived, as to the financial condition of any Issuer Party or as to the existence or continuation or possible occurrence or continuation of any Default or Event of Default and shall not be deemed to have notice or knowledge of such occurrence or continuation unless it has received a written notice from the Issuer or any Secured Party describing such Default or Event of Default clearly labeled "notice of default";

(v) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Note Documents that the Collateral Agent is required to exercise as directed in writing by the Required Holders (or such other number or percentage of the holders as shall be expressly provided for herein or in the other Note Documents); provided that the Collateral Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Collateral Agent to liability for which it has not been indemnified or that is contrary to any Note Document or applicable law;

(vi) shall not, except as expressly set forth herein and in the other Note Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Issuer or any of its Affiliates that is communicated to or obtained by the Person serving as the Collateral Agent or any of its Affiliates in any capacity;

(vii) shall not be responsible for (a) perfecting, maintaining, monitoring, preserving or protecting the security interest or Lien granted under any Security Document, or any agreement or instrument contemplated hereby or thereby; (b) the filing, re-filing, recording, re-recording, or continuing of any document, financing statement, mortgage, assignment, notice, instrument of further assurance, or other instrument in any public office at any time or times; or (c) providing, maintaining, monitoring, or preserving insurance on or the payment of taxes with respect to any Collateral; and

(viii) not be liable for any apportionment or distribution of payments made by it in good faith and if any such apportionment or distribution is subsequently determined to have been made in error the sole recourse of any holder to whom payment was due but not made, shall be to recover from other holder any payment in excess of the amount to which they are determined to be entitled (and such other holders hereby agree to return to such holders any such erroneous payments received by them);

and, for each of the items set forth above, each Secured Party and each Issuer Party hereby waives and agrees not to assert any right, claim or cause of action it might have against the Collateral Agent based thereon. Without limiting the generality of the foregoing, Collateral Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or Event of Default has occurred and is continuing.

22.6 **Collateral Agent Individually**. The Collateral Agent and its Affiliates may make loans and other extensions of credit to, acquire equity interests of, engage in any kind of business with, any Issuer Party or Affiliate thereof as though it were not acting as the Collateral Agent and may receive separate fees and other payments therefor. To the extent the Collateral Agent or any of its Affiliates becomes a holder hereunder, it shall have and may exercise the same rights and powers hereunder and shall be subject to the same obligations and liabilities as any other holder and the terms "holder", "Required Holder", and any similar terms shall, except where otherwise expressly provided in this Agreement or any other Note Document, include the Collateral Agent or such Affiliate, as the case may be, in its individual capacity as holder or one of the Required Holders, respectively.

22.7 **Purchaser Credit Decision**. Each Secured Party acknowledges that it shall, independently and without reliance upon the Collateral Agent, any other Secured Party or any of their Related Persons or upon any document (including any offering and disclosure materials in connection with the issuance of the Notes) solely or in part because such document was transmitted by the Collateral Agent or any of its Related Persons, conduct its own independent investigation of the financial condition and affairs of each Issuer Party and make and continue to make its own credit decisions in connection with entering into, and taking or not taking any action under, this Agreement and any other Note Document or with respect to any transaction contemplated hereunder or any other Note Document, in each case based on such documents and information as it shall deem appropriate. Except for documents expressly required hereunder or by any other Note Document to be transmitted by the Collateral Agent to the holders of the Notes, the Collateral Agent shall not have any duty or responsibility to provide any holder with any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of any Issuer Party or any Affiliate of any Issuer Party that may come in to the possession of the Collateral Agent or any of its Related Persons.

22.8 **Expenses; Indemnities**.

(a) Each holder of the Notes agrees to reimburse the Collateral Agent and each of its Related Persons (to the extent not reimbursed by any Issuer Party) promptly upon demand, severally and ratably (with such ratable amount being determined as of the time that the applicable unreimbursed cost or expense is sought (or if such payment is sought after the date on which the Notes have been paid in full, in accordance with such holder's ratable share immediately prior to the date on which the Notes are paid in full)), for any reasonable and documented costs and expenses (including fees, charges and disbursements of financial, legal and other advisors and taxes paid in the name of, or on behalf of, any Issuer Party) that may be incurred by the Collateral Agent or any of its Related Persons in connection with the preparation, execution, delivery, administration, modification, consent, waiver or enforcement of, or the taking of any other action (whether through negotiations, through any work-out, bankruptcy, restructuring or other legal or other proceeding (including preparation for and/or response to any subpoena or request for document production relating thereto) or otherwise) in respect of, or legal advice with respect to, its rights or responsibilities under, this Agreement or any other Note Document.

(b) Each Holder further agrees to indemnify and hold harmless the Collateral Agent and each of its Related Persons (to the extent not reimbursed by any Issuer Party), severally and ratably (with such ratable amount being determined as of the time that the applicable

unreimbursed indemnity is sought (or if such indemnity payment is sought after the date on which the Notes have been paid in full, in accordance with such holder's ratable share immediately prior to the date on which the Notes are paid in full)), from and against all Indemnified Liabilities; provided, that no Holder shall be liable to the Collateral Agent or any of its Related Persons to the extent such liability has resulted primarily from the gross negligence or willful misconduct of the Collateral Agent or, as the case may be, such Related Person, as determined by a court of competent jurisdiction in a final non-appealable judgment or order; provided, further, that no action taken in accordance with the directions of the Required Holders shall be deemed to constitute gross negligence or willful misconduct for purposes of this clause (d)).

(c) To the extent required by any applicable law, the Collateral Agent may withhold from any payment to any holder under this Agreement or any other Note Document an amount equal to any applicable withholding tax (including withholding Taxes imposed under Chapters 3 and 4 of Subtitle A of the Code). If the Internal Revenue Service or any other Governmental Authority asserts a claim that the Collateral Agent did not properly withhold tax from amounts paid to or for the account of any holder (because the appropriate certification form was not delivered, was not properly executed, or fails to establish an exemption from, or reduction of, withholding tax with respect to a particular type of payment, or because such holder failed to notify the Collateral Agent or any other Person of a change in circumstances which rendered the exemption from, or reduction of, withholding tax ineffective), or the Collateral Agent reasonably determines that it was required to withhold taxes from a prior payment but failed to do so, such holder shall promptly indemnify the Collateral Agent fully for all amounts paid, directly or indirectly, by the Collateral Agent as tax or otherwise, including penalties and interest, and together with all expenses incurred by the Collateral Agent, including legal expenses, allocated internal costs and out-of-pocket expenses. The Collateral Agent may offset against any payment to any holder hereunder or under any other Note Document, any applicable withholding tax that was required to be withheld from any prior payment to such holder but which was not so withheld, as well as any other amounts for which the Collateral Agent is entitled to indemnification from such holder under this Section 22.8(c).

The terms of this Section 22.8 shall survive the resignation or removal of the Collateral Agent or the transfer of any Note or portion thereof or interest therein by any Purchaser or holder and the payment of any Note (as well as termination of this Agreement). Each holder hereby authorizes the Collateral Agent to set off and apply any amounts received by the Collateral Agent constituting Collateral or proceeds thereof and otherwise payable to such holder against amounts then due from such holder to the Collateral Agent under paragraph (a), (b) or (c) of this Section 22.8.

22.9 Resignation/Removal of the Collateral Agent.

(a) The Collateral Agent may resign at any time by delivering not less than 30 days' prior written notice of such resignation to the holders of the Notes and the Issuer, which resignation shall be effective on the date set forth in such notice or, if no such date is set forth therein, upon the date such notice shall be effective in accordance with the terms of this Section 22.9. The Collateral Agent may be removed upon 30 days' prior written notice by the Required Holders for the Collateral Agent's gross negligence or willful misconduct. Upon receipt of any such notice of resignation or upon any such removal, the Required Holders shall have the right to appoint a successor Collateral Agent (at the cost of the Issuer). If (i) after 30 days after the effective

date of any such resignation or removal, no successor Collateral Agent has been appointed by the Required Holders, then any holder may (but shall not be obligated to) appoint (with the prior written consent of the Required Holders (such consent not to be unreasonably withheld or delayed)) a successor Collateral Agent, and (ii) after 30 days after the effective date of any such resignation or removal, no successor Collateral Agent has been appointed, then any holder may apply to a court of competent jurisdiction for the appointment of a replacement Collateral Agent. Whether or not a successor has been appointed, a resigning or removed Collateral Agent's resignation or removal, as applicable, shall become effective on the date occurring thirty (30) days after the notice of resignation or removal, as applicable.

(b) Effective immediately upon its resignation, (i) the retiring or the removed Collateral Agent shall be discharged from performing its duties and obligations hereunder and the other Note Documents, (ii) the holders shall assume and perform all of the duties of Collateral Agent until a successor Collateral Agent shall have accepted a valid appointment hereunder, (iii) except for the rights of indemnification, payment and reimbursement which accrue to the retiring Collateral Agent prior to resignation, the retiring or removed Collateral Agent and its Related Persons shall no longer have the benefit of any provision hereof or of any other Note Document other than with respect to any actions taken or omitted to be taken while such retiring or the removed Collateral Agent was, or because such Collateral Agent had been, validly acting as Collateral Agent hereunder and under the other Note Documents and (iv) subject to all rights of the retiring or the removed Collateral Agent under this Agreement and all other Note Documents, the Issuer Parties and the Secured Parties shall take such action as may be reasonably necessary in connection with the appointment of a successor Collateral Agent in accordance with the terms of this Agreement and to assign to the successor Collateral Agent the rights of the retiring or removed Collateral Agent (as such) under the Note Documents, and, until a successor Collateral Agent exists the Issuer Parties and the Secured Parties shall take such action as may be reasonably necessary to ensure that all rights and remedies available to the Collateral Agent extend to and may be exercised by the Required Holders. Effective immediately upon its acceptance of a valid appointment as Collateral Agent, a successor Collateral Agent shall succeed to, and become vested with, all the rights, powers, privileges and duties of the retiring or the removed Collateral Agent hereunder and under the other Note Documents.

22.10 **Release of Collateral**. Each Secured Party hereby consents to the release of, and hereby directs the Collateral Agent to release, any Collateral pursuant to the terms of Section 5.7 of the Security Agreement and this Section 22.10. The Collateral Agent hereby agrees, upon receipt of reasonably advance notice (and a certificate signed by a Responsible Officer of the Issuer certifying that the transaction requiring the release is permitted under the Note Documents and the Secured Parties hereby acknowledge and agree that the Collateral Agent may conclusively rely on such certificate as evidence that the transaction is permitted under the terms of the Note Documents in performing its obligations under this Section 22.10) and upon the receipt of the approval and acknowledgment by the Required Holders, to execute and deliver or file such documents and to perform other action reasonably requested by the Required Holders at the Issuer's expense to release the guaranties and Liens when and as directed in this Section 22.10.

22.11 **Credit Bid**. Each of the holders of the Notes hereby irrevocably authorizes the Collateral Agent, on behalf of all Secured Parties to take any of the following actions upon the written instruction of the Required Holders:

(a) consent to the disposition of all or any portion of the Collateral free and clear of the Liens securing the Obligations in connection with any disposition pursuant to the applicable provisions of any bankruptcy, insolvency, reorganization, moratorium or other similar law of any jurisdiction;

(b) credit bid all or any portion of the Obligations, or purchase all or any portion of the Collateral (in each case, either directly or through one or more acquisition vehicles), in connection with any disposition of all or any portion of the Collateral pursuant to the applicable provisions of any bankruptcy, insolvency, reorganization, moratorium or other similar law of any jurisdiction;

(c) credit bid all or any portion of the Obligations, or purchase all or any portion of the Collateral (in each case, either directly or through one or more acquisition vehicles), in connection with any disposition of all or any portion of the Collateral pursuant to the applicable provisions of the UCC, including pursuant to Sections 9-610 or 9-620 of the UCC;

(d) credit bid all or any portion of the Obligations, or purchase all or any portion of the Collateral (in each case, either directly or through one or more acquisition vehicles), in connection with any foreclosure or other disposition conducted in accordance with applicable law following the occurrence of an Event of Default, including by power of sale, judicial action or otherwise; and/or

(e) estimate the amount of any contingent or unliquidated Obligations of such holder or other Secured Party;

it being understood that no holder shall be required to fund any amount (other than by means of offset) in connection with any purchase of all or any portion of the Collateral by the Collateral Agent pursuant to the foregoing clauses (b), (c) or (d) without its prior written consent.

Each Secured Party agrees that the Collateral Agent is under no obligation to credit bid any part of the Obligations or to purchase or retain or acquire any portion of the Collateral; provided that, in connection with any credit bid or purchase described under clauses (b), (c) or (d) of the preceding paragraph, the Obligations owed to all of the Secured Parties (other than with respect to contingent or unliquidated liabilities as set forth in the next succeeding paragraph) may be, and shall be, credit bid by the Collateral Agent on a ratable basis.

With respect to each contingent or unliquidated claim that is an Obligation, the Collateral Agent is hereby authorized, but is not required, to estimate the amount thereof for purposes of any credit bid or purchase described in the second preceding paragraph so long as the estimation of the amount or liquidation of such claim would not unduly delay the ability of the Collateral Agent to credit bid the Obligations or purchase the Collateral in the relevant disposition. In the event that the Collateral Agent, in its sole and absolute discretion, elects not to estimate any such contingent or unliquidated claim or any such claim cannot be estimated without unduly delaying the ability of the Collateral Agent to consummate any credit bid or purchase in accordance with the second preceding paragraph, then any contingent or unliquidated claims not so estimated shall be disregarded, shall not be credit bid, and shall not be entitled to any interest in the portion or the entirety of the Collateral purchased by means of such credit bid.

Each Secured Party whose Obligations are credit bid under clauses (b), (c) or (d) of the third preceding paragraph shall be entitled to receive interests in the Collateral or any other asset acquired in connection with such credit bid (or in the Equity Interests of the acquisition vehicle or vehicles that are used to consummate such acquisition) on a ratable basis in accordance with the percentage obtained by dividing (x) the amount of the Obligations of such Secured Party that were credit bid in such credit bid or other disposition, by (y) the aggregate amount of all Obligations that were credit bid in such credit bid or other disposition.

22.12 Solicitation of Instructions.

(a) The Collateral Agent may at any time solicit written confirmatory instructions from the Required Holder or request an order of a court of competent jurisdiction as to any action that it may be requested or required to take, or that it may propose to take, in the performance of any of its obligations under this Agreement or the Security Documents and may suspend performance of such obligations as it determines to be appropriate until it receives such instructions or order.

(b) No written direction given to the Collateral Agent by the Required Holders that in the sole judgment of the Collateral Agent imposes, purports to impose or might reasonably be expected to impose upon the Collateral Agent any obligation or liability not set forth in or arising under this Agreement and the Security Documents will be binding upon the Collateral Agent unless the Collateral Agent elects, at its sole option, to accept such direction.

22.13 No Expending of Funds. Nothing in this Agreement or any other Note Document shall require the Collateral Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder.

22.14 Merger, Conversion or Consolidation of Collateral Agent. Any corporation or association into which the Collateral Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer all or substantially all of its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which the Collateral is a party, will be and become the successor Collateral Agent under this Agreement and will have and succeed to the rights, powers, duties, immunities and privileges as its predecessor, without the execution or filing of any instrument or paper or the performance of any further act.

22.15 Force Majeure. In no event shall the Collateral Agent be liable for any failure or delay in the performance of their respective obligations under this Agreement or any related documents because of circumstances beyond the Collateral Agent's control, including, but not limited to, a failure, termination, or suspension of a clearing house, securities depositary, settlement system or central payment system in any applicable part of the world or acts of God, flood, war (whether declared or undeclared), civil or military disturbances or hostilities, nuclear or natural catastrophes, political unrest, explosion, severe weather or accident, earthquake, terrorism, fire, riot, labor disturbances, strikes or work stoppages for any reason, embargo, government action, including any laws, ordinances, regulations or the like (whether domestic, federal, state, county or municipal or foreign) which delay, restrict or prohibit the providing of the services

contemplated by this Agreement or any related documents, or the unavailability of communications or computer facilities, the failure of equipment or interruption of communications or computer facilities, or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility, or any other causes beyond the Collateral Agent's control whether or not of the same class or kind as specified above.

22.16 Appointment of Consultants. In the event the Required Holders reasonably determine that the advice of an independent technical consultant is required in connection with the holders' review of any amendments, waivers or consents in respect of any of the Note Documents, or supervision and review of material ongoing operational matters relating to the Project, the Required Holders may, in consultation with the Issuer, appoint an independent technical consultant, which consultant shall be a nationally recognized technical consulting or engineering firm with substantial experience in gas processing and electric generation facilities similar to the Project (an "**Independent Engineer**").

SECTION 23. MISCELLANEOUS.

23.1 Successors and Assigns. All covenants and other agreements contained in this Agreement by or on behalf of any of the parties hereto bind and inure to the benefit of their respective successors and assigns (including any subsequent holder of a Note) whether so expressed or not, except that, (i) the Issuer may not assign or otherwise transfer any of its rights or obligations hereunder or under any other Note Document without the prior written consent of each holder and the Collateral Agent and (ii) no holder or Purchaser may assign or otherwise transfer its rights or obligations hereunder except in accordance with Section 13. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto and their respective successors and assigns permitted hereby) any legal or equitable right, remedy or claim under or by reason of this Agreement.

23.2 Accounting Terms. All accounting terms used herein which are not expressly defined in this Agreement have the meanings respectively given to them in accordance with GAAP, as applied by the accounting entity to which they refer. Except as otherwise specifically provided herein, (a) all computations made pursuant to this Agreement shall be made in accordance with GAAP, and (b) all financial statements shall be prepared in accordance with GAAP. For purposes of determining compliance with this Agreement (including Section 8, Section 9 and the definition of "Indebtedness"), any election by any Issuer Party to measure any financial liability using fair value (as permitted by Financial Accounting Standards Board Accounting Standards Codification Topic No. 825-10-25 – *Fair Value Option,* International Accounting Standard 39 – *Financial Instruments: Recognition and Measurement* or any similar accounting standard) shall be disregarded and such determination shall be made as if such election had not been made.

23.3 Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall (to the full extent permitted by law) not invalidate or render unenforceable such provision in any other jurisdiction. The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions

the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

23.4 Construction, Etc. Each covenant contained herein shall be construed (absent express provision to the contrary) as being independent of each other covenant contained herein, so that compliance with any one covenant shall not (absent such an express contrary provision) be deemed to excuse compliance with any other covenant. Where any provision herein refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person. Defined terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." The word "or" is not exclusive. Thus, if a party "may do (a) or (b)", then the party may do either or both. The party is not limited to a mutually exclusive choice between the two alternatives. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein) and, for purposes of the Notes, shall also include any such notes issued in substitution therefor pursuant to Section 13, (b) subject to Section 23.1, any reference herein to any Person shall be construed to include such Person's successors and permitted assigns, (c) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Sections and Schedules shall be construed to refer to Sections of, and Schedules to, this Agreement, (e) a reference in a document to an Article, Section, Exhibit, Schedule, Annex or Appendix is to the Article, Section, Exhibit, Schedule, Annex or Appendix of such document unless otherwise indicated and Exhibits, Schedules, Annexes or Appendices to any document shall be deemed incorporated by reference in such document and (f) any reference to any Legal Requirement or regulation herein shall, unless otherwise specified, refer to such Legal Requirement or regulation as amended, modified or supplemented from time to time and all regulations, rulings and other Governmental Rules promulgated under such Legal Requirement.

23.5 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto. Delivery of an executed counterpart to this Agreement by facsimile transmission or "pdf" electronic format shall be as effective as delivery of a manually signed original.

23.6 Governing Law. This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such State that would permit the application of the laws of a jurisdiction other than such State.

23.7 Jurisdiction and Process; Waiver of Jury Trial.

(a) The Issuer irrevocably submits to the non-exclusive jurisdiction of any New York State or federal court sitting in the Borough of Manhattan, The City of New York, over any suit, action or proceeding arising out of or relating to this Agreement or the Notes. To the fullest extent permitted by applicable law, the Issuer irrevocably waives and agrees not to assert, by way of motion, as a defense or otherwise, any claim that it is not subject to the jurisdiction of any such court, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

(b) The Issuer agrees, to the fullest extent permitted by applicable law, that a final judgment in any suit, action or proceeding of the nature referred to in Section 23.7(a) brought in any such court shall be conclusive and binding upon it subject to rights of appeal, as the case may be, and may be enforced in the courts of the United States of America or the State of New York (or any other courts to the jurisdiction of which it or any of its assets is or may be subject) by a suit upon such judgment.

(c) The Issuer consents to process being served by or on behalf of any holder of Notes in any suit, action or proceeding of the nature referred to in Section 23.7(a) by mailing a copy thereof by registered, certified, priority or express mail (or any substantially similar form of mail), postage prepaid, return receipt or delivery confirmation requested, to it at its address specified in Section 17 or at such other address of which such holder shall then have been notified pursuant to said Section. The Issuer agrees that such service upon receipt (i) shall be deemed in every respect effective service of process upon it in any such suit, action or proceeding and (ii) shall, to the fullest extent permitted by applicable law, be taken and held to be valid personal service upon and personal delivery to it. Notices hereunder shall be conclusively presumed received as evidenced by a delivery receipt furnished by the United States Postal Service or any reputable commercial delivery service.

(d) Nothing in this Section 23.7 shall affect the right of any holder of a Note to serve process in any manner permitted by law, or limit any right that the holders of any of the Notes may have to bring proceedings against the Issuer in the courts of any appropriate jurisdiction or to enforce in any lawful manner a judgment obtained in one jurisdiction in any other jurisdiction.

(e) EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS AGREEMENT OR ANY OTHER NOTE DOCUMENTS. EACH PARTY HERETO (a) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (b) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER NOTE DOCUMENTS, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 23.7(e).

23.8 **Section Headings**. The Section headings in this Agreement are for the convenience of reference only and shall not affect the meaning or construction of any provision hereof.

23.9 **Limitation on Liability**. NO CLAIM SHALL BE MADE BY ANY PARTY HERETO, OR ANY OF SUCH PARTY'S AFFILIATES, DIRECTORS, EMPLOYEES, ATTORNEYS OR AGENTS AGAINST ANY OTHER PARTY HERETO OR ANY OF ITS AFFILIATES, DIRECTORS, EMPLOYEES, ATTORNEYS OR AGENTS FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES (WHETHER OR NOT THE CLAIM THEREFOR IS BASED ON CONTRACT, TORT, DUTY IMPOSED BY LAW OR OTHERWISE), IN CONNECTION WITH, ARISING OUT OF OR IN ANY WAY RELATED TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR THE OTHER OPERATIVE DOCUMENTS OR ANY ACT OR OMISSION OR EVENT OCCURRING IN CONNECTION THEREWITH (OTHER THAN FOR ANY SUCH DAMAGES INCURRED OR PAID TO A THIRD PARTY); AND EACH PARTY HEREBY WAIVES, RELEASES AND AGREES NOT TO SUE UPON ANY SUCH CLAIM FOR ANY SUCH SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES, WHETHER OR NOT ACCRUED AND WHETHER OR NOT KNOWN OR SUSPECTED TO EXIST IN ITS FAVOR.

23.10 **Scope of Liability**. Notwithstanding anything to the contrary in this Agreement, any other Note Document, or any other document, certificate or instrument executed by any Issuer Party pursuant hereto or thereto, except as expressly provided for in the Operative Documents, none of the Purchasers or holders of the Notes shall have any claims (including any liability as may arise by operation of law, whether in contract, in tort or strict liability or in equity) with respect to the transactions contemplated by the Note Documents or otherwise arising out of, relating to or in connection with this Agreement or the other Note Documents or any breach or default hereunder or thereunder against any present or future holder (whether direct or indirect) of any Equity Interests (other than the Equity Interests in the held by Holdings) in the Issuer, Holdings or any of their respective Affiliates, shareholders, officers, directors, employees, representatives, Controlling persons, executives or agents (collectively, the "**Non-Recourse Persons**"), such claims against such Non-Recourse Persons (including as may arise by operation of law) being expressly waived hereby; provided that the foregoing provision of this Section 23.10 shall not:

(a) constitute a waiver, release or discharge (or otherwise impair the enforceability) of any of the Obligations, or of any of the terms, covenants, conditions, or provisions of any Operative Document and the same shall continue (but without personal liability of any Non-Recourse Person who is a natural person) until fully paid, discharged, observed, or performed;

(b) constitute a waiver, release or discharge of any lien or security interest purported to be created pursuant to the Security Documents (or otherwise impair the ability of any Secured Party to realize or foreclose upon any Collateral);

(c) limit or restrict the right of any Purchaser or holder of the Notes (or any assignee, beneficiary or successor thereto) to name any Issuer Party or any other Person as a defendant in any action or suit for a judicial foreclosure or for the exercise of any other remedy under or with respect to any Note Document, or for injunction or specific performance, so long as

no judgment in the nature of a deficiency judgment shall be enforced against any Non-Recourse Person, except as set forth in other provisions of this Section 23.10; or

(d) affect or diminish in any way or constitute a waiver, release or discharge of any obligation, covenant, or agreement made by any Non-Recourse Person (or any security granted by any Non-Recourse Person in support of the obligations of any Person) under or in connection with any Operative Document or as security for the Obligations.

23.11 USA PATRIOT Act. In order to comply with the laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including, without limitation, those relating to the funding of terrorist activities and money laundering, including Section 326 of the USA PATRIOT Act of the United States ("**Applicable KYC Requirements**"), the Collateral Agent is required to obtain, verify, record and update certain information relating to individuals and entities which maintain a business relationship with the Collateral Agent. Accordingly, each of the parties agree to provide to the Collateral Agent, upon its request from time to time such identifying information and documentation as may be available for such party in order to enable the Collateral Agent to comply with Applicable KYC Requirements. Each Purchaser hereby notifies the Issuer Parties that pursuant to the requirements of the USA PATRIOT Act, it is required to obtain, verify and record information that identifies the Issuer Parties, including the name and address of each Issuer Party and other information that will allow the Purchasers to identify each Issuer Party in accordance with the USA PATRIOT Act.

23.12 Electronic Records. This Agreement and any document, amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to this Agreement (each a "**Note Communication**"), including Note Communications required to be in writing, may be in the form of an Electronic Record and may be executed using Electronic Signatures. The Issuer agrees that any Electronic Signature on or associated with any Note Communication shall be valid and binding of the Issuer to the same extent as a manual, original signature, and that any Note Communication entered into by Electronic Signature, will constitute the legal, valid and binding obligation of each of the Issuer Parties enforceable against such in accordance with the terms thereof to the same extent as if a manually executed original signature was delivered. Any Note Communication may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts are one and the same Note Communication. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance by the Collateral Agent and each of the holders of a manually signed paper Note Communication which has been converted into electronic form (such as scanned into PDF format), or an electronically signed Note Communication converted into another format, for transmission, delivery and/or retention. The Collateral Agent and each of the holders may, at its option, create one or more copies of any Note Communication in the form of an imaged Electronic Record ("**Electronic Copy**"), which shall be deemed created in the ordinary course of the such Person's business, and destroy the original paper document. All Note Communications in the form of an Electronic Record, including an Electronic Copy, shall be considered an original for all purposes, and shall have the same legal effect, validity and enforceability as a paper record. Notwithstanding anything contained herein to the contrary, the Collateral Agent is under no obligation to accept an Electronic Signature in any form or in any format unless expressly agreed to by the Collateral Agent pursuant to procedures approved by it; provided, further, without limiting the foregoing, (a) to the extent the Collateral Agent has agreed

to accept such Electronic Signature, the Collateral Agent and each of the holders shall be entitled to rely on any such Electronic Signature purportedly given by or on behalf of any Issuer Party without further verification and (b) upon the request of the Collateral Agent or any holder, any Electronic Signature shall be promptly followed by such manually executed counterpart. For purposes hereof, "Electronic Record" and "Electronic Signature" shall have the meanings assigned to them, respectively, by 15 USC §7006, as it may be amended from time to time.

23.13 Direct Website Communications.

(a) Each of the Issuer and Elk Hills Power may, at its option, provide to the Collateral Agent any information, documents and other materials that it is obligated to furnish to the Collateral Agent pursuant to the Note Documents, including, without limitation, all notices, requests, financial statements, financial, and other reports, certificates, and other information materials (all such communications being referred to herein collectively as "**Communications**"), by transmitting the Communications in an electronic/soft medium in a format reasonably acceptable to the Collateral Agent to the Collateral Agent at an email address provided by the Collateral Agent from time to time; provided that (i) upon written request by the Collateral Agent, the Issuer or Elk Hills Power shall deliver paper copies of such documents to the Collateral Agent for further distribution to each holder until a written request to cease delivering paper copies is given by the Collateral Agent and (ii) the Issuer shall notify (which shall be by facsimile or electronic mail) the Collateral Agent (which shall notify each holder) of the posting of any such documents and provide to the Collateral Agent by electronic mail electronic versions (i.e., soft copies) of such documents. Each holder shall be solely responsible for timely accessing posted documents for which it has received a notification of such posting or requesting delivery of paper copies of such documents from the Collateral Agent and maintaining its copies of such documents. Nothing in this Section 23.13 shall prejudice the right of the Issuer, Elk Hills Power, the Collateral Agent or any holder to give any notice or other communication pursuant to any Note Document in any other manner specified in such Note Document. The Collateral Agent agrees that the receipt of the Communications by the Collateral Agent at its e-mail address set forth above shall constitute effective delivery of the Communications to the Collateral Agent for purposes of the Note Documents. Each holder agrees that notice to it (as provided in the next sentence) specifying that the Communications have been posted to the Platform shall constitute effective delivery of the Communications to such holder for purposes of the Note Documents. Each holder agrees (A) to notify the Collateral Agent in writing (including by electronic communication) from time to time of such holder's e-mail address to which the foregoing notice may be sent by electronic transmission and (B) that the foregoing notice may be sent to such e-mail address.

(b) The Issuer further agrees that the Collateral Agent may make the Communications available to the holders by posting the Communications on Intralinks or a substantially similar electronic transmission system (the "**Platform**"), so long as the access to such Platform (i) is limited to the Collateral Agent, the holder and Transferees or prospective Transferees and (ii) remains subject to the confidentiality requirements set forth in SECTION 20.

(c) THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF ANY MATERIALS OR INFORMATION PROVIDED BY THE NOTE PARTIES (THE "**ISSUER MATERIALS**") OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY

DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE ISSUER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE ISSUER MATERIALS OR THE PLATFORM. In no event shall the Collateral Agent or any of its Related Persons (collectively, the "**Agent Parties**" and each an "**Agent Party**") have any liability to the Issuer, any holder, or any other Person for losses, claims, damages, liabilities, or expenses of any kind (whether in tort, contract or otherwise) arising out of the Issuer's or the Collateral Agent's transmission of Issuer Materials through the internet, except to the extent the liability of any Agent Party resulted from such Agent Party's (or any of its Related Persons' (other than any trustee or advisor)) gross negligence or willful misconduct as determined in a final non-appealable judgment of a court of competent jurisdiction.

(d) Each of the Issuer and each holder acknowledge that certain of the holders may be "public-side" holders (holders that do not wish to receive material non-public information with respect to the Issuer, its Subsidiaries or their securities) and, if documents or notices required to be delivered pursuant to the Note Documents or otherwise are being distributed through the Platform, any document or notice that Issuer has indicated contains only publicly available information with respect to the Issuer may be posted on that portion of the Platform designated for such public-side holders. If Issuer has not indicated whether a document or notice delivered contains only publicly available information, the Collateral Agent shall post such document or notice solely on that portion of the Platform designated for holders who wish to receive material nonpublic information with respect to Issuer, its Subsidiaries and their securities. Notwithstanding the foregoing, the Issuer shall use commercially reasonable efforts to indicate whether any document or notice contains only publicly available information; provided, however, that, the following documents shall be deemed to be marked "PUBLIC" unless the Issuer notifies the Collateral Agent promptly that any such document contains material nonpublic information: (1) the Note Documents, (2) any notification of changes in the terms of the notes facility hereunder and (3) all financial statements and certificates delivered pursuant to Sections 7.1(a) and 7.1(b).

* * * * *

If you are in agreement with the foregoing, please sign the form of agreement on a counterpart of this Agreement and return it to the Issuer, whereupon this Agreement shall become a binding agreement between you and the Issuer.

Very truly yours,

EHP MIDCO HOLDING COMPANY, LLC
a Delaware limited liability company

By: /s/ Francisco Leon
Name: Francisco Leon
Title: Executive Vice President and Chief Financial Officer

[Signature Page to Note Purchase Agreement]

This Agreement is hereby accepted and agreed to as of the date hereof.

WILMINGTON TRUST, NATIONAL ASSOCIATION,
Not in its individual capacity but solely as Collateral Agent

By: /s/ Joseph B. Feil
Name: Joseph B. Feil
Title: Vice President

[Signature Page to Note Purchase Agreement]

This Agreement is hereby accepted and agreed to as of the date hereof.

ECR I, L.P., a Delaware limited partnership

By: ECR Corporate Holdings GP LLC, its general partner

By: /s/ Nathan Walton
Name: Nathan Walton
Title: Authorized Person

ECR II, LLC, a Delaware limited liability company

By: /s/ Nathan Walton
Name: Nathan Walton
Title: Authorized Person

[Signature Page to Note Purchase Agreement]

SSF IV ENERGY I AIV 1, L.P.,
a Delaware limited partnership

By: ASSF Management IV, L.P.
Its: General Partner

By: ASSF Management IV GP LLC,
Its: General Partner

By: /s/ Matthew Jill
Name: Matthew Jill
Title: Authorized Person

SSF IV ENERGY I AIV 2, L.P.,
a Delaware limited partnership

By: ASSF Management IV, L.P.
Its: General Partner

By: ASSF Management IV GP LLC,
Its: General Partner

By: /s/ Matthew Jill
Name: Matthew Jill
Title: Authorized Person

EXHIBIT 10.6

Execution Version

OWNER GUARANTY

This Guaranty (the "Guaranty") is made as of October 27, 2020, by California Resources Corporation, a corporation formed under the laws of Delaware and having an office at 27200 Tourney Road, Suite 200, Santa Clarita, CA 91355 ("Guarantor"), to and for the benefit of Wilmington Trust, National Association, having an office at 1100 North Market Street, Wilmington, DE 19890, as Collateral Agent (as defined below) for the Secured Parties (in such capacity, together with its successors and permitted assigns in such capacity, "Beneficiary").

WHEREAS:

A. EHP Midco Holding Company, LLC ("Issuer"), has entered into that certain Note Purchase Agreement, dated as of October 27, 2020 (the "Note Purchase Agreement"), among Issuer, the Purchasers party thereto and Wilmington Trust, National Association, as the collateral agent (in such capacity, together with its successors and permitted assigns in such capacity, the "Collateral Agent");

B. Guarantor has entered into that certain Sponsor Support Agreement, dated October 27, 2020, among Guarantor, Issuer and Elk Hills Power, LLC, a Delaware limited liability company (the "Sponsor Support Agreement");

C. Pursuant to the Note Purchase Agreement, Guarantor is required to deliver to Beneficiary a guaranty agreement in favor of the Secured Parties and Guarantor is required to perform certain payment and performance obligations under the Sponsor Support Agreement;

D. Guarantor owns (directly or indirectly) 100% of the membership interests of Issuer; and

E. Through its (direct or indirect) ownership of Issuer, Guarantor acknowledges that it will derive substantial benefit from the extensions of credit under the Note Purchase Agreement and the other Note Documents, and has agreed to provide this Guaranty and enter into the Sponsor Support Agreement for the ratable benefit of the Secured Parties.

NOW, THEREFORE, for and in consideration of the foregoing premises, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Guarantor covenants and agrees as follows:

1. Unless otherwise defined herein, all capitalized terms used herein which are defined in the Note Purchase Agreement or the Sponsor Support Agreement, as applicable (whether directly or by reference to another agreement or document), shall have their respective meanings as therein defined. All references to the Note Purchase Agreement or the Sponsor Support Agreement contained herein shall be construed to mean the Note Purchase Agreement or the Sponsor Support Agreement, as amended, restated, supplemented or otherwise modified from time to time.

2. Guarantor hereby irrevocably, absolutely and unconditionally guarantees to Beneficiary, as Collateral Agent for the benefit of the Secured Parties, and its successors and permitted assigns, as primary obligor and not as surety, (a) the full and prompt payment when due

of all of Issuer's payment obligations under the Note Purchase Agreement and the other Note Documents and (b) the performance of all obligations of Guarantor and its subsidiaries under, and the payment of all obligations owed pursuant to, the Sponsor Support Agreement. All obligations described in the preceding sentence are collectively referred to herein as the "Obligations". For the avoidance of doubt, the Obligations shall not exceed the Obligations (as defined in the Note Purchase Agreement) under the Note Purchase Agreement and the other Note Documents. If at any time Issuer fails, or Guarantor and its subsidiaries neglect or refuse, to timely or fully perform any of the Obligations as expressly provided in the terms and conditions of the Note Purchase Agreement or the Sponsor Support Agreement, any grace period applicable with respect thereto under the Note Purchase Agreement or Sponsor Support Agreement, as applicable, has expired, and Issuer or Guarantor and its subsidiaries has or have not cured any such failure to perform a payment obligation by making such payment in full or such failure to perform any other obligation by performing such obligation, then upon receipt of written notice from Beneficiary specifying the failure, Guarantor shall perform, or cause to be performed, any such obligation as required pursuant to the terms and conditions of the Note Purchase Agreement and/or Sponsor Support Agreement, as applicable. With respect to any claim, action or proceeding against Guarantor in connection with this Guaranty, Guarantor shall be entitled to assert only those defenses which Issuer would be able to assert if such claim, action or proceeding were to be asserted or instituted against Issuer based upon the Note Purchase Agreement or Sponsor Support Agreement, as applicable.

3. Anything herein or in any other Note Document to the contrary notwithstanding, the maximum liability of Guarantor hereunder and under the other Note Documents shall in no event exceed the amount which can be guaranteed by Guarantor under the Bankruptcy Code or any applicable federal and state law relating to fraudulent conveyances, fraudulent transfers or the insolvency of debtors.

4. Guarantor agrees that the Obligations may at any time and from time to time exceed the amount of the liability of Guarantor hereunder without impairing this Guaranty or affecting the rights and remedies of Beneficiary or any other Secured Party hereunder.

5. No payments made by Issuer, Guarantor or any other Person or received or collected by Beneficiary or any other Secured Party from Issuer, Guarantor or any other Person by virtue of any action or proceeding or any set-off or appropriation or application at any time or from time to time in reduction of, or in payment of, the Obligations shall be deemed to modify, reduce, release or otherwise affect the liability of Guarantor hereunder, which shall, notwithstanding any such payment or payments (other than payments made by Issuer or Guarantor in respect of the Obligations or payments received or collected from Guarantor in respect of the Obligations), remain liable for the Obligations up to the maximum liability of Guarantor hereunder until termination of the Guaranty.

6. In addition to any rights and remedies of the Secured Parties provided by any applicable Governmental Law, Guarantor hereby irrevocably authorizes each Secured Party at any time and from time to time following the occurrence, and during the continuance, of any Event of Default, without notice to Guarantor, any such notice being expressly waived by Guarantor, upon any amount becoming due and payable by Guarantor hereunder (whether at stated maturity, by acceleration or otherwise), to set-off and appropriate and apply against such amount any and all

deposits (general or special, time or demand, provisional or final, but excluding deposits held by Guarantor as a fiduciary for others), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Secured Party to or for the credit or the account of Guarantor under any Note Document. Each Secured Party shall notify Guarantor and Beneficiary promptly of any such set-off and the appropriation and application made by such Secured Party; provided that the failure to give such notice shall not affect the validity of such set-off and appropriation and application.

7. This Guaranty is a continuing guaranty by Guarantor of the Obligations. Guarantor hereby consents and agrees that the following actions may be undertaken from time to time without notice to, or the consent of, Guarantor:

(a) the Note Purchase Agreement and any other Note Document may be amended in accordance with its terms to increase or decrease the obligations of Beneficiary, the holders or Issuer thereunder; and

(b) Beneficiary, the Required Holders and Issuer may compromise or settle any unpaid or unperformed Obligation or any other obligation or amount due or owing, or claimed to be due or owing, under the Note Purchase Agreement or Sponsor Support Agreement, as applicable.

8. To the fullest extent permitted by Governmental Rule, Guarantor hereby waives the defenses it may now or hereafter have under this Guaranty of:

(a) any requirements of promptness, diligence, presentment, demand for payment, protest, notice of dishonor, notice of default, notice of acceptance, notice of intent to accelerate, notice of acceleration, notice of the incurring of the Obligations created under or pursuant to the Note Purchase Agreement or the Sponsor Support Agreement and all other notices whatsoever, except as otherwise provided herein;

(b) any lack of validity, legality or enforceability of this Guaranty, the Note Purchase Agreement (subject to Section 2 hereof), any other Note Document or the Obligations, to the extent legally possible under the Note Purchase Agreement, the Sponsor Support Agreement, this Guaranty, or any agreement or instrument relating thereto;

(c) any lack or limitation of status or authority of Issuer, or any incapacity or disability of any signatory for Issuer

(d) the payment by any other Person of a portion, but not all, of the Obligations or any manner of application of collateral or the proceeds thereof to the Obligations;

(e) any requirement that Beneficiary or any other Person enforce or exhaust any right or remedy or mitigate any damages or take any action against Issuer, any other guarantor, or any other Person or any collateral before proceeding against Guarantor;

(f) any amendment, modification, or supplement to the Note Purchase Agreement or Sponsor Support Agreement;;

(g) any waiver or consent with respect to any provisions of the Note Purchase Agreement or Sponsor Support Agreement or any compromise or release of any of the obligations thereunder; and

(h) subject to Section 2 hereof, any other circumstance which might otherwise constitute a defense available to, or a legal or equitable discharge of, Issuer, Guarantor, any surety or any guarantor.

9. Guarantor agrees that this is a guaranty of payment and performance and not merely a guaranty of collection. The liability of Guarantor under this Guaranty shall not be conditional or contingent upon the pursuit of any remedy against Issuer.

10. Guarantor agrees that payment or performance of any of the Obligations or other acts which toll any statute of limitations applicable to the Obligations, the Note Purchase Agreement or the Sponsor Support Agreement shall also toll the statute of limitations applicable to Guarantor's liability under this Guaranty.

11. Guarantor hereby covenants and agrees:

(a) to promptly notify Beneficiary in writing of any material impairment of (i) the business, operations, condition, assets, liabilities or properties of Guarantor or (ii) the ability of Guarantor to perform its obligations under this Guaranty, which in the case of clauses (i) or (ii) would reasonably be expected to prevent or materially delay the enforcement by Beneficiary of its rights hereunder;

(b) that no "change of control" as defined in any CRC Debt Agreement shall occur; and

(c) Guarantor will not incur, create, assume or otherwise suffer to exist Liens on any property of Guarantor to secure Indebtedness for borrowed money, unless (i) Guarantor secures the Notes equally and ratably with (or prior to) such Indebtedness or (ii) after giving effect thereto, the aggregate principal amount of all Indebtedness at any one time outstanding that would otherwise be subject to the restrictions set forth in this Section 11(c) would not exceed $25,000,000 (it being understood and agreed that such $25,000,000 shall not include any Liens securing Indebtedness of the type in clause (i)(B) of the proviso below); provided, however, that for purposes of this Section, all Indebtedness secured by the following will be excluded:

(i) Liens securing (A) Indebtedness incurred under the credit facility described in clause (a) of the definition of CRC Debt Agreement in an amount not to exceed the Aggregate Maximum Credit Amount as defined in such credit facility on the date of this Agreement, plus all hedging obligations and cash management

obligations outstanding from time to time that are secured under such credit facility; provided, that such Indebtedness may only be incurred under an oil and gas reserve-based revolving credit facility with a borrowing base that is determined and redetermined by, prior to an event of default thereunder, an administrative agent and a majority of lenders that are engaged in oil and gas reserve-based lending as a part of their respective businesses (a "Permitted RBL Facility"), (B) Indebtedness incurred under the credit facility described in clause (b) of the definition of CRC Debt Agreement in an amount not to exceed the principal amount (plus any paid-in-kind amounts) as in effect on the date of this Agreement and (C) other Indebtedness (excluding, for the avoidance of doubt, Indebtedness referred to in clause (A) and (B) above) existing on the Closing Date in a principal amount not to exceed the principal amount of such other Indebtedness existing on the Closing Date;

(ii) Liens existing on Property of, or on any Equity Interests or Indebtedness of, any Person at the time such Person becomes a Subsidiary or at the time such Person is merged into or consolidated with Guarantor or any Subsidiary or at the time of sale, lease or other disposition of the properties of such Person (or a division of such Person) to Guarantor or a Subsidiary as an entirety or substantially as an entirety;

(iii) Liens in favor of Guarantor or a Subsidiary;

(iv) Liens in favor of governmental bodies to secure progress, advance or other payments pursuant to any contract or provision of any statute;

(v) Liens existing on Property, Equity Interests or Indebtedness at the time of acquisition thereof (including acquisition through merger or consolidation) or Liens (i) to secure the payment of all or any part of the purchase price of such Property, shares or Indebtedness or the cost of construction, installation, expansion, renovation, improvement or development on or of such Property or (ii) to secure any Indebtedness incurred prior to, at the time of, or within two (2) years after the latest of the acquisition, the completion of such construction, installation, expansion, renovation, improvement or development or the commencement of full operation of such Property or within two years after the acquisition of such shares or Indebtedness for the purpose of financing all or any part of the purchase price or cost thereof;

(vi) Liens on any specific oil or gas Property (but not all or substantially all of the Guarantor's or its Subsidiaries' Property) to secure Indebtedness incurred by Guarantor or any Subsidiary to provide funds for all or any portion of the cost of exploration, production, gathering, processing, marketing, drilling or development of such Property;

(vii) Liens on any Property securing Indebtedness incurred under industrial development, pollution control or other revenue bonds issued or

guaranteed by the United States of America or any State thereof or any department, agency, instrumentality or political subdivision thereof;

(viii) Liens on any Property securing Indebtedness arising in connection with the sale of accounts receivable resulting from the sale of oil or gas at the wellhead; and

(ix) any extension, renewal or refunding of any Liens referred to in the foregoing clauses (i) through (viii), inclusive; provided, however, that (i) such extension, renewal or refunding Lien shall be limited to all or part of the same Property, Equity Interests or Indebtedness that secured the Lien extended, renewed or refunded (plus improvements on or replacements of such Property), (ii) such Indebtedness is increased only by the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses incurred in connection with such extension, renewal or refunding and (iii) with respect to clause (i)(A) above, such extension, renewal or refunding Lien shall either (A) secure only Indebtedness incurred under a Permitted RBL Facility or (B) secure Indebtedness incurred to refinance or replace the outstanding principal amount of such Indebtedness in clause (i)(A) above with Indebtedness that has all-in yield equal to or less than LIBOR (or, if unavailable, its generally accepted benchmark replacement rate) plus 7.00%.

12. Guarantor additionally represents and warrants to Beneficiary as follows:

(a) Guarantor is a corporation duly organized, validly existing, authorized to do business and in good standing under the laws of Delaware.

(b) Guarantor has the requisite corporate power and authority to own its Property and assets, transact the business in which it is engaged and to enter into this Guaranty and carry out its obligations hereunder. The execution, delivery, and performance of this Guaranty have been duly and validly authorized and no other corporate proceedings on the part of Guarantor or its Affiliates are necessary to authorize this Guaranty or the transactions contemplated hereby.

(c) No authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or other regulatory body or third party is required for the due execution, delivery and performance by Guarantor of this Guaranty.

(d) This Guaranty, when executed, shall constitute a valid and binding agreement of Guarantor and is enforceable against Guarantor in accordance with the terms of this Guaranty, except as may be limited by bankruptcy or insolvency or by other Governmental Rules affecting the rights of creditors generally and except as may be limited by the availability of equitable remedies.

(e) As of the date hereof, the execution, delivery, and performance of this Guaranty does not and will not (i) result in a default, breach or violation of the bylaws of Guarantor, or (ii) constitute an event which would permit any person or entity to terminate rights or accelerate the performance or maturity of any indebtedness or obligation of Guarantor, the effect of which

would materially affect Guarantor's ability to meet its obligations under this Guaranty, or (iii) constitute an event which would require any consent of a third party or under any agreement to which Guarantor is bound, the absence of which consent would materially and adversely affect Guarantor's ability to meet its obligations under this Guaranty.

(f) Guarantor has reviewed and is familiar with the terms of the Note Purchase Agreement and the other Note Documents, and, to the best of its knowledge, Issuer has provided it with a copy of each Note Document in existence as of the date hereof.

13. No amendment of any provision of this Guaranty shall be effective unless it is in writing and signed by Guarantor and Beneficiary rights hereunder, and no waiver of any provision of this Guaranty, and no consent to any departure by Guarantor therefrom, shall be effective unless it is in writing and signed by Beneficiary.

14. This Guaranty is a continuing guaranty and (i) shall remain in full force and effect until satisfaction in full of all of the Obligations, (ii) shall be binding upon Guarantor and its successors and permitted assigns and (iii) shall inure to the benefit of and be enforceable by Beneficiary and its successors and permitted assigns. Neither Guarantor nor Beneficiary may assign its rights or delegate its duties without the written consent of the other party; provided, that any successor Collateral Agent appointed in accordance with provisions of Section 22.9 of the Note Purchase Agreement shall automatically become the Beneficiary hereunder. Nothing contained herein shall be construed as conferring any rights upon persons or entities other than Beneficiary for the benefit of the Secured Parties.

15. In the event that Beneficiary or any holder for any reason (including but not limited to bankruptcy preferences), is required to repay or disgorge any amounts received by it in respect of the Obligations upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of Issuer or Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, Issuer or Guarantor or any substantial part of its property, then the liability of Guarantor under this Guaranty, with respect to such amounts, shall be automatically reinstated and Guarantor shall pay Beneficiary on demand all of its documented, reasonable out-of-pocket costs and expenses (including reasonable and documented fees of one primary counsel to Beneficiary and a single local counsel of Beneficiary in each relevant material jurisdiction) incurred in connection with such reinstatement."

16. To the fullest extent permitted by Governmental Rule, until such time as the Obligations are fully and finally paid and discharged, expired or terminated, Guarantor hereby subordinates any claim, right or remedy that it may now have or may hereafter acquire via subrogation, contribution or reimbursement against Issuer arising under or in connection with this Guaranty to any claim, right or remedy of any Secured Party against Issuer or any other Person or any Collateral that any Secured Party may now have or may hereafter acquire (other than this Guaranty). If, notwithstanding the preceding sentence, any amount shall be paid to Guarantor on account of such subrogation rights at any time when any of the Obligations shall not have been fully and finally paid and discharged, such amount shall be held by Guarantor in trust for Beneficiary (acting for the benefit of the Secured Parties), segregated from other funds of Guarantor and turned over by Guarantor in the form received by Guarantor (duly endorsed (which endorsement shall be made without any representations) by Guarantor to Beneficiary, if

requested), to be applied against the Obligations, whether matured or unmatured, in accordance with the Note Documents.

17. (a) As of the date hereof, Guarantor has conducted its business in compliance with Anti-Money Laundering Laws and Anti-Corruption Laws applicable to Guarantor in all material respects, and has instituted and maintains and will continue to maintain policies and procedures designed to ensure compliance with such laws of the United States of America and with the representation and warranty contained in this Section 17(a).

(b) For the past five years, Guarantor has not knowingly engaged in, nor is now knowingly engaged in, or will knowingly engage in, any dealings or transactions with any Sanctioned Person, or in any country or territory, that at the time of the dealing or transaction is or was, or whose government is or was, the subject of Sanctions.

(c) Guarantor will not (i) become (including by virtue of being owned or controlled by a Sanctioned Person), own or control a Sanctioned Person. or (ii) directly or indirectly have any investment in or engage in any dealing or transaction with any Person if such investment, dealing or transaction is prohibited by or subject to sanctions under any Sanctions, Anti-Money Laundering Laws, or Anti-Corruption Laws applicable to Guarantor.

18. (a) This Guaranty and any claims, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Guaranty and the transactions contemplated hereby shall be governed by, and construed in accordance with, the law of the State of New York.

(b) Guarantor irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against any Secured Party or any Affiliate of the foregoing, in any way relating to this Guaranty or the transactions relating hereto, in any forum other than any New York State or federal court sitting in the Borough of Manhattan, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by Governmental Rule, in such federal court. Each of the parties hereto agrees that a final judgment in any such action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(c) Each of Guarantor and Beneficiary irrevocably and unconditionally waives, to the fullest extent permitted by Governmental Rule, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Guaranty in any court referred to in paragraph (b) of this Section 18. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by Governmental Rule, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party hereto irrevocably consents to service of process in the manner provided for notices in Section 19. Nothing in this Guaranty will affect the right of any party hereto to serve process in any other manner permitted by Governmental Rule.

(e) Nothing in this Section 18 shall limit the right of Beneficiary to refer any claim against Guarantor to any court of competent jurisdiction outside of the State of New York, nor shall the taking of proceedings by Beneficiary before the courts in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction whether concurrently or not.

(f) EACH PARTY HERETO IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY GOVERNMENTAL RULE, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS GUARANTY OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THE NOTE PURCHASE AGREEMENT AND THE SPONSOR SUPPORT AGREEMENT (AS APPLICABLE) AND THIS GUARANTY BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

19. Any notices or other communication to be given hereunder shall be given in writing, sent by (a) personal delivery, (b) internationally recognized expedited delivery service, (c) registered or certified United States mail, postage prepaid, (d) facsimile (followed by registered or certified United States mail, postage prepaid) or (e) electronic mail (provided the relevant computer record indicates a full and successful transmission or no failure message is generated) as follows:

To Guarantor: California Resource Corporation
27200 Tourney Road, Suite 200
Santa Clarita, CA 91355

Fax: 818-661-3750
Email: Michael.Preston@crc.com

with a copy to (which shall not constitute notice):

Elk Hills Power, LLC
27200 Tourney Road, Suite 200
Santa Clarita, CA 91355

Attention: Michael Preston
Email: Michael.Preston@crc.com

and

Sullivan & Cromwell LLP
125 Broad Street
New York, NY 10004
Attention: Alison Ressler; John Estes
Email: resslera@sullcrom.com; estesj@sullcrom.com

To Beneficiary: Wilmington Trust, National Association
as Collateral Agent
1100 North Market Street
Wilmington, DE 19890
Attention: Joseph B. Feil
Email: jfeil@wilmingtontrust.com

with a copy to (which shall not constitute notice):

Arnold & Porter Kaye Scholer LLP
250 West 55th Street
New York, NY 10019
Attention: Alan Glantz
Email: alan.glantz@arnoldporter.com

with a copy to (which shall not constitute notice):

Kirkland & Ellis LLP
609 Main St.
Houston, TX 77002
Attention: John Pitts, P.C.; Lucas E. Spivey, P.C.
Email: john.pitts@kirkland.com; lucas.spivey@kirkland.com

or to such other address or to the attention of such other individual as hereafter shall be designated in writing by the applicable party sent in accordance herewith. Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of delivery service or mail, as of the date of receipt at the address and in the manner provided herein, or in the case of facsimile or electronic transmission, upon receipt.

20. In the event that any of the provisions, or portions or applications thereof, of this Guaranty are held to be unenforceable or invalid by any court of competent jurisdiction, Beneficiary, Required Holders and Guarantor shall negotiate an equitable adjustment in such provisions of this Guaranty with a view toward effecting the purpose of this Guaranty, and the validity and enforceability of the remaining provisions, or portions or applications thereof, shall not be affected thereby.

21. Without the prior written permission of Guarantor, Beneficiary shall not disclose confidential information ("Information") of Guarantor to any third party other than to the extent Beneficiary would be entitled to disclose Information of Issuer to a third party under Section 20 of the Note Purchase Agreement.

22. This Guaranty may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Guaranty by facsimile transmission or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Guaranty. The words "execution," "signed," "signature," and words of like import shall be deemed

to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

23. No failure or delay on the part of Beneficiary in exercising any right, power or privilege hereunder and no course of dealing between Guarantor, or any of its Affiliates, on the one hand, and the Secured Parties on the other hand, shall impair any such right, power or privilege or operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder. Each and every right and remedy of Beneficiary hereunder shall be cumulative and shall be in addition to any other right or remedy given hereunder or under any other Note Document, or now or hereafter existing at law or in equity.

24. This Guaranty may be enforced against Guarantor by Beneficiary without any requirement that Beneficiary enforce or exhaust any right or remedy or mitigate any damages or take any action against Issuer or any other Person or any collateral before proceeding against Guarantor and without the necessity of joining Issuer or any other Person in any action or proceeding to enforce this Guaranty.

25. Termination or Release.

(a) This Guaranty shall terminate on the date on which the Obligations (other than any contingent indemnification obligations) are fully and finally paid and discharged, expired or terminated in accordance with the Note Documents.

(b) In connection with any termination or release in accordance with clause (a) of this Section 25, Beneficiary shall, execute and deliver to Guarantor, at Guarantor's expense, all documents that Guarantor shall reasonably request to evidence such termination or release.

26. In amplification of, and notwithstanding any other provisions of this Guaranty, in connection with its obligations hereunder and exercising rights in connection therewith, Beneficiary has all of the rights, powers, privileges, exculpations, protections and indemnities as provided to it in the other Note Documents. Notwithstanding anything else to the contrary herein, whenever reference is made in this Guaranty to any discretionary action by, consent, designation, specification, requirement or approval of, notice, request or other communication from, or other direction given or action to be undertaken or to be (or not to be) suffered or omitted by Beneficiary or to any election, decision, opinion, acceptance, use of judgment, expression of satisfaction or other exercise of discretion, rights or remedies to be made (or not to be made) by Beneficiary, it is understood that in all cases Beneficiary shall be fully justified in failing or refusing to take any such action under this Guaranty if it shall not have received such written instruction, of the Required Holders (or, where so required under the Note Purchase Agreement, such greater proportion of holders), as it deems reasonably appropriate. This Section 26 is intended solely for the benefit of Beneficiary and its successors and permitted assigns and is not intended to and will

not entitle the other parties hereto to any defense, claim or counterclaim, or confer any rights or benefits on any party hereto.

[*Signature pages follow*]

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, has executed this Guaranty as of the date first written above.

CALIFORNIA RESOURCES CORPORATION,
as a Guarantor

By: /s/ Francisco Leon
Name: Francisco Leon
Title: Executive Vice President and
Chief Financial Officer

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, has executed this Guaranty as of the date first written above.

WILMINGTON TRUST, NATIONAL ASSOCIATION, not in its individual capacity but solely as Collateral Agent

By: /s/ Joseph B. Feil
Name: Joseph B. Feil
Title: Vice President

EXHIBIT 10.7

Execution Version

SPONSOR SUPPORT AGREEMENT

This **SPONSOR SUPPORT AGREEMENT** (this "**Agreement**"), is entered into as of October 27, 2020 (the "**Effective Date**"), by and among Elk Hills Power, LLC, a Delaware limited liability company (the "**Company**"), California Resources Corporation, a Delaware corporation (the "**Sponsor**"), and EHP Midco Holding Company, LLC, a Delaware limited liability company (the "**Issuer**"). The Company, the Sponsor and the Issuer are referred to collectively as the "**Parties**" and each individually as a "**Party**." Capitalized terms used but not otherwise defined in this Agreement have the meanings ascribed to such terms in the Note Purchase Agreement, dated as of October 27, 2020, by and among the Issuer, which directly owns 100% of the Equity Interests of the Company, the note holders party thereto from time to time, and Wilmington Trust, National Association, as collateral agent for the Secured Parties (as may be further amended, restated, supplemented, amended and restated or otherwise modified from time to time, the "**Note Purchase Agreement**").

WHEREAS, on July 15, 2020, the Company and the Sponsor entered into that certain Settlement and Assumption Agreement, by and among (a) the Sponsor, (b) California Resources Elk Hills, LLC ("**CREH**"), (c) the Company, (d) ECR Corporate Holdings GP LLC, ECR I, L.P., SSF IV Energy I AIV 1, L.P., SSF IV Energy I AIV 2, L.P. and AEOF ECR Holdings, L.P. (collectively, "**Ares**") and (e) ECR Corporate Holdings L.P., a portfolio company of Ares ("**ECRCH**," and together with Ares, the "**Ares Entities**") (as may be further amended, restated, supplemented, amended and restated or otherwise modified from time to time, the "**Settlement Agreement**");

WHEREAS, pursuant to the Settlement Agreement, on the Settlement Effective Date (as defined in the Settlement Agreement), the Sponsor was granted the ability to, subject to the terms and conditions of the Settlement Agreement, cause the Ares Entities to exchange all of the equity interests in the Company owned by the Ares Entities for the consideration set forth in the Settlement Agreement (such right, the "**Conversion Right**");

WHEREAS, pursuant to the Settlement Agreement, the Conversion Right is exercisable by the Sponsor in connection with the confirmation of the Plan;

WHEREAS, the Plan was confirmed on October 13, 2020 (the "**Plan Confirmation**");

WHEREAS, following the Plan Confirmation and immediately prior to the execution of this Agreement, the Sponsor exercised the Conversion Right;

WHEREAS, in connection with the exercise of the Conversion Right and pursuant to the Amended and Restated Restructuring Support Agreement, dated as of June 24, 2020, by and among Sponsor, the other Company Parties, the Consenting Creditors, ECRCH and the other parties thereto (each as defined in such Amended and Restated Restructuring Support Agreement), the Company desires for the Sponsor to agree to certain covenants set forth in this Agreement for the benefit of the Company, the Issuer and all of their respective Subsidiaries (collectively, the "**Company Group**"), including with respect to the Company Group's current assets and such other assets that the Company Group may acquire, own or lease after the Effective Date; and

WHEREAS, as consideration for the benefits received pursuant to the Plan, the Sponsor is willing to agree to such covenants for the benefit of the Company Group, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement and for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

Section 1. Definitions. As used in this Agreement, the following terms have the meanings indicated:

"**35R Cogen Facility**" means the 35R Cogeneration facility, located at the Elk Hills oil field in Tupman, California.

"**Bypass Assets**" means, with respect to the Sponsor Group, any of their respective assets owned as of the Effective Date (including, without limitation, the Legacy System) or any assets acquired or developed at any time after the Effective Date (including any other electricity and steam generation assets involving solar and cogeneration facilities), in each case, excluding the Primary Collateral and any Excluded Sources.

"**Bypass Plan**" means any plan, proposal, arrangement or Contract to use any Bypass Assets for gas processing services or electricity and steam requirements, in each case, (a) to the extent related to the Elk Hills Field and (b) that would result in (i) the Company and the Excluded Sources no longer being (A) the Sponsor Group's sole providers of electricity and steam to the Elk Hills Field or (B) the primary processors of the Sponsor Group's Gas produced from the Elk Hills Field or (ii) the Sponsor Group no longer using the Primary Collateral and any applicable Excluded Sources as their respective sole sources of electricity and steam to, or primary processor of Gas produced from, the Elk Hills Field.

"**Contract**" means any contract, agreement, indenture, note, bond, mortgage, deed of trust, loan, instrument, lease, license, commitment or other arrangement, understanding, undertaking, commitment or obligation, whether written or oral.

"**Dormant Status**" means the idled, non-operated (other than maintenance and other minimal customary operations required by Law), non-producing status of a facility.

"**Elk Hills Field**" means the oil and natural gas field located in the San Joaquin basin in Kern County, California.

"**Gas**" means natural gas produced in its original state from gas and/or oil wells.

"**Law**" means any federal, state, local or foreign Order, writ, injunction, judgment, settlement, award, decree, statute, law (including common law), rule, regulation or other provision of a Governmental Authority having the force or effect of law.

"**Legacy System**" means the 35R Cogen Facility and the LTS Plants.

"**LTS Plants**" means the low temperature separation gas plants, known as LTS-1 and LTS-2, located near the Elk Hills Field.

"**Noteholders**" means the Ares Entities or any other holder or purchaser of the Notes issued pursuant to the Note Purchase Agreement.

"**Order**" means any order, injunction, judgment, decree, award, ruling, writ, determination, assessment or arbitration award of a Governmental Authority.

"**Plan**" has the meaning given to such term in the Settlement Agreement.

"**Primary Collateral**" means (a) the facilities of the Company Group, the LTS Plants and any assets of the Company Group necessary or appropriate for the operation and ownership of the facilities of the Company Group and the LTS Plants, in each case, as of the Effective Date, and any real property rights, including under lease agreements, of the Company Group, including any such rights granted to the Company Group by the Sponsor or any of its Affiliates, (b) any existing and future third party offtake contracts for gas processing, steam and electricity power generated by or provided by the Company (including, in each case, any replacements of the foregoing), and (c) all of the equity of the Company held by Issuer.

"**Sponsor Group**" means Sponsor, CREH and their respective controlled Affiliates (but excluding the members of Company Group).

Section 2. Sponsor Covenants.

(a) Funding and Contract Requirements. From and after the Effective Date, the Sponsor shall fund, as and when each of the same shall become due and payable, any and all costs, fees, taxes and expenses incurred or payable by the Company Group or by Issuer (or its successor or permitted assigns) in connection with the ownership, operation and financing of the Primary Collateral, including (without limitation) (i) interest payments and the other Obligations, as and when the same become due and payable under the Note Documents; *provided* that notwithstanding the foregoing, in no event shall the Sponsor be required to fund any payment of principal (whether directly or as part of any claim by a Noteholder asserting payment of principal as a form of damages or otherwise) under this Agreement and (ii) in respect of costs and expenses, operating and maintenance costs of any kind and capital expenditures (including maintenance capital expenditures), in each case, as required to operate and maintain the Primary Collateral (A) in good working order and (B) in the ordinary course of business in accordance with industry standards and to the extent necessary to comply with this Agreement (including **Section 2(c)**) and any contractual obligations or commercial arrangements, if any, relating to the Primary Collateral to which the Company Group or the Sponsor Group, as applicable, are or become party to (such contractual obligations or commercial arrangements, the "**Contract Requirements**").

(b) Employees. From and after the Effective Date, the Sponsor shall (and shall cause the other members of the Sponsor Group to) make a sufficient number of employees of the Sponsor Group available to perform functions necessary for the Company Group or the Issuer, as applicable, to maintain the Primary Collateral (i) in good working order and (ii) in the ordinary course of business in accordance with industry standards and otherwise to the extent necessary to comply with this Agreement (including **Section 2(c)**) and the Contract Requirements.

(c) Operations. From and after the Effective Date, Sponsor shall (and shall cause the other members of the Sponsor Group to) (i) take all actions reasonably necessary to cause the Company Group to operate and maintain the Primary Collateral, in all material respects, in good working order and in the ordinary course of business in accordance with industry standards and the Contract Requirements, including maintenance of all relevant permits and authorizations required by Law and (ii) perform such obligations: (A) in a good, workmanlike and efficient manner in accordance in all material respects with all applicable Laws and the terms of all Contracts and Permits to which any of the Primary Collateral or the Company is bound; (B) as a reasonable prudent operator in the oil and gas industry that also operates power generation and gas processing facilities; and (C) with the same degree of diligence and care that the Sponsor Group exercises with respect to the ownership and operation of any of the Sponsor Group's other midstream and power generation assets.

(d) Nature of the Company's Services.

(i) Subject to **Section 2(d)(iii)**, from and after the Effective Date, (A) the Company shall be the Sponsor Group's primary provider of electricity and steam to, and shall be the primary processor of the Sponsor Group's Gas produced from, the Elk Hills Field, (B) the Sponsor Group shall use the Primary Collateral as their respective primary sources of electricity and steam to, and primary processor of Gas produced from, the Elk Hills Field and (C) the Sponsor Group shall not pursue or otherwise attempt to effect a Bypass Plan.

(ii) In exchange for the services described in **Section 2(d)(i)**, from which the Sponsor Group derives substantial benefit, the Sponsor Group (A) shall not be required to make any cash payments to the Company in consideration for any Gas processing services, electricity or steam provided by the Company, and (B) shall provide the Company with all of the Company's Gas requirements, at no cash cost to the Company Group, to the extent necessary for the Company to operate and maintain the Primary Collateral in accordance with this Agreement and satisfy the Contract Requirements.

(iii) So long as the Sponsor Group is not in breach of **Section 2(d)(i)(C)** or **Section 2(d)(ii)(B)**, the Sponsor Group may use, own, operate or invest in electricity and steam generation assets and sources (including solar and cogeneration facilities) other than the Primary Collateral for use in respect of or related to the Elk Hills Field if the Sponsor Group continues to utilize the Primary Collateral for at least 75% of the Elk Hills Field's electricity and steam needs on an annual basis (such sources of electricity and steam providing up to 25% of the Elk Hills Field's electricity and steam needs on an annual basis, the "**Excluded Sources**") except due to an event or circumstance (or combination of events and/or circumstances, and in any case only for so long as such event or circumstance shall exist) (A) that materially impairs the ability of the Sponsor to utilize the Primary Collateral as required by this **Section 2(d)(iii)**, (B) the occurrence of which was not within the reasonable control of or caused by the Sponsor or its Affiliates, (C) the effects of which the Sponsor could not have avoided by the exercise of due diligence and care and (D) that was not reasonably contemplated by the Parties as of the Effective Date (and excluding, for the avoidance of doubt, (x) unfavorable market conditions for use of the Primary Collateral and (y) economic hardship).

(iv) Notwithstanding anything to the contrary in this **Section 2**, solely with respect to the LTS Plants, the Sponsor may, in its good faith discretion, elect to preserve the Dormant Status of the LTS Plants and, so long as the LTS Plants remain in the Dormant Status, Sponsor shall have no obligation to maintain or make capital investments or improvements in the LTS Plants other than (A) any costs required, in accordance with industry standards, to maintain the LTS Plants in the Dormant Status; (B) as may be required from time to time pursuant to applicable Laws; or (C) such actions as may become necessary to avoid any Material Adverse Effect or have an adverse effect on the validity of the Collateral Agent's security interests in and liens on the Primary Collateral or enforceability of the rights and remedies of the Secured Parties under the Loan Documents against any Company Party.

(e) Notification. Sponsor shall notify the Company and the Collateral Agent of any Breach, or any breach or failure to perform that if uncured, would constitute a Breach, as promptly as reasonably possible, and in any event within ten Business Days, following any Responsible Officer of Sponsor or any of its Affiliates with responsibility for managing the Company obtaining knowledge of such Breach.

(f) Third Party Arrangements. The Sponsor shall, and shall cause the Sponsor Group to, agree that it shall not enter into any third party Contract, and shall not permit the Company to enter into any third party Contract, for the sale of any services or products, including any gas processing services, steam or electricity, produced by or provided by the Company except to the extent that (i) the Company is a direct party to such third party Contract and (ii) such third party Contract provides for the payment of all amounts in exchange for such services or products to be paid into a bank account of the Company that is subject to a Control Agreement pursuant to the Note Purchase Agreement. The Parties agree that it is the intention that all revenues or earnings generated by the Primary Collateral shall be deposited into such a bank account and no back-to-back intercompany or other affiliate arrangements shall be permitted (it being understood, however, that this **Section 2(f)** shall not prohibit the ability to make Restricted Payments to the Sponsor or its Affiliates in accordance with the terms of the Note Purchase Agreement).

(g) RBL and Second Lien Documents. The Sponsor hereby covenants and agrees that it shall not amend, modify, or permit the amendment or modification of, the definition of "EHP", "EHP Collateral", "EHP Discharge Date", "EHP Entities", "EHP Midco", "EHP Note Purchase Agreement", "EHP Notes", "EHP Topco", "Permitted EHP Payments", "Permitted Refinancing Indebtedness", Sections 5.2(f), 10.1(c), 10.2(s), 10.7, 10.9(k) or 10.18 of the CRC Debt Agreements or any analogous provision in the case of any amendment, refinancing or other replacement, in each case, in a manner that makes any of those provisions more restrictive vis-à-vis this Agreement, the Note Documents, the Noteholders, the Primary Collateral and the Issuer, the Company and Holdings than exists on the Closing Date.

Section 3. Term; Termination; Survival.

(a) Term; Termination. The obligations of the Sponsor shall commence on the Effective Date and shall continue indefinitely until the earlier to occur of:

(i) the Note Purchase Agreement is terminated in accordance with its terms;

(ii) the Noteholders electing by written notice to the Company, in the sole and absolute discretion of the Noteholders, to terminate this Agreement upon the occurrence of any of the following: (A) the Sponsor breaches or otherwise fails to perform any covenant or agreement set forth in **Section 2(a)**, and, in the case of defaults on the payment of any interest due under the Note Purchase Agreement, such breach or failure remains uncured (if curable) for 3 Business Days following notice to the Company and the Noteholders and in such other cases, such breach or failure could be reasonably expected to (1) create unsafe working, operation or maintenance conditions or otherwise violate in any material way any applicable Law, (2) cause the operation of the Primary Collateral to fall below the standard of a prudent operator of similar facilities, (3) otherwise have a materially adverse impact on the ability of the Primary Collateral to operate and be maintained in accordance with acceptable industry standards or (4) otherwise have a materially adverse impact on the value of the Primary Collateral or the rights of the holders of the Eligible Notes with respect thereto, in each case, if such breach or failure remains uncured (if curable) for 30 days following notice to the Company and the Noteholders; and (B) the material breach or failure to perform by the Sponsor of any other covenant or agreement in this Agreement, in each case, if such breach or failure remains uncured (if curable) for 30 days following notice to the Company and the Noteholders (any of the foregoing clauses (A) and (B), a "**Breach**");

(iii) the Parties and the Noteholders otherwise mutually agree in writing to terminate this Agreement; or

(iv) the foreclosure and sale of any Collateral by any secured party under the Note Documents or an exercise of remedies by any secured party under the Note Documents with respect to Equity Interests pledged to secure the Obligations.

(b) Survival. Notwithstanding anything to the contrary in this Agreement, , **Section 3(b)** and **Section 4** shall survive termination of this Agreement. **Section 2(g)** and **Section 3(c)** shall survive termination of this Agreement until the Obligations (other than any contingent indemnification obligations) are fully and finally paid and discharged, expired or terminated in accordance with the Note Documents. The termination or expiration of this Agreement shall not relieve any Party from any expense, liability or other obligation or remedy which has accrued or attached prior to the date of such termination or expiration.

(c) Data; Transition Services. If this Agreement is terminated by the Noteholders pursuant to **Section 3(a)(ii)** or **Section 3(a)(iv)**, the Sponsor shall, and shall cause the other members of the Sponsor Group to, provide the Noteholders full access to the Project and all information, data and records relating thereto, and comply with all reasonable requests by the Noteholders or their designee in connection with taking over the operation and maintenance duties, including the execution and delivery of documents and taking of other actions, in each case as shall be necessary to facilitate the orderly transition of duties from Sponsor Group to Noteholders or their designee.

Section 4. Miscellaneous.

(a) Amendment and Waiver. This Agreement may not be amended, nor any provision of this Agreement waived, without the prior written consent of the Parties and the Noteholders. No course of dealing between or among any Persons having any interest in this

Agreement shall be deemed effective to modify, amend or discharge any part of this Agreement or any rights or obligations of any Person under or by reason of this Agreement.

(b) Notices. Except as expressly set forth to the contrary in this Agreement, all notices, requests or consents provided for or permitted to be given under this Agreement must be in writing and must be given either by (i) depositing such writing with a reputable overnight courier for next day delivery, (ii) depositing such writing in the United States mail, addressed to the recipient, postage paid, and registered or certified with return receipt requested or (iii) delivering such writing to the recipient in person, by courier or by electronic mail transmission; and a notice, request or consent given under this Agreement is effective upon receipt against the Person who receives it. Whenever any notice is required to be given by Law or this Agreement, a written waiver, signed by the Person entitled to notice, whether before or after the time stated by such Law or by this Agreement, as applicable, shall be deemed equivalent to the giving of such notice. All notices, requests and consents to be sent to a Party must be sent to or made at the following address or email given for that Party, or such other address or email as that Party may specify by notice to the other Parties:

If to the Sponsor:

California Resources Corporation
27200 Tourney Road, Suite 200
Santa Clarita, California 91355
Attention: General Counsel
Email: michael.preston@crc.com

with a copy to (which shall not constitute notice):

Sullivan & Cromwell LLP
1888 Century Park East, 21st Floor
Los Angeles, California 90067-1725
Attention: Alison S. Ressler
Email: resslera@sullcrom.com

If to the Company:

Elk Hills Power, LLC
c/o California Resources Corporation
27200 Tourney Road, Suite 200
Santa Clarita, California 91355
Attention: General Counsel
Email: michael.preston@crc.com

with a copy to (which shall not constitute notice):

Sullivan & Cromwell LLP
1888 Century Park East, 21st Floor
Los Angeles, California 90067-1725

Attention: Alison S. Ressler
Email: resslera@sullcrom.com

If to the Issuer:

EHP Midco Holding Company, LLC
27200 Tourney Road, Suite 200
Santa Clarita, California 91355
Attention: General Counsel
Email: michael.preston@crc.com

with a copy to (which shall not constitute notice):

Sullivan & Cromwell LLP
1888 Century Park East, 21st Floor
Los Angeles, California 90067-1725
Attention: Alison S. Ressler
Email: resslera@sullcrom.com

If to the Noteholders (to the extent such Noteholders constitute the Ares Entities):

c/o Ares Management LLC
2000 Avenue of the Stars, 12th Floor
Los Angeles, CA 90067
Attention: Nathan Walton
Email: nwalton@aresmgmt.com

with a copy to (which shall not constitute notice):

Kirkland & Ellis LLP
609 Main St.
Houston, TX 77002
Attention: John Pitts, P.C.; Lucas E. Spivey, P.C.
Email: john.pitts@kirkland.com; lucas.spivey@kirkland.com

If to the Collateral Agent:

Wilmington Trust, National Association
50 South Sixth Street, Suite 1290
Minneapolis, MN 55402
Attention: Nikki Kroll
Telephone: (612) 430-3080
Email: nkroll@wilmingtontrust.com

with a copy to (which shall not constitute notice):

Arnold & Porter Kaye Scholer LLP

250 West 55th Street
New York, NY 10019
Attention: Alan Glantz
Telephone: (212) 836-7253
Email: alan.glantz@arnoldporter.com

(c) Assignment. This Agreement and all of the provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, successors and permitted assigns. Notwithstanding the foregoing, neither this Agreement nor any of the rights, interests or obligations under this Agreement shall be assigned (including by operation of law) by any Party without the prior written consent of the other Party, the Noteholders and, in respect of any assignment by the Sponsor of its rights, interests or obligations hereunder, the Majority Lenders (as defined under the certain Credit Agreement, dated as of October 27, 2020, among CRC, the several lenders from time to time party thereto and Alter Domus Products Corp., as administrative agent and collateral agent, in each case as amended, supplemented or otherwise modified from time to time, and any refinancing indebtedness thereof). Any attempted assignment or delegation in contravention of this Agreement shall be null and void. Notwithstanding the foregoing, the Issuer and the Company may collaterally assign their rights under this Agreement to the Noteholders, and in connection therewith, the Sponsor agrees to execute and deliver a consent and agreement to collateral assignment in the form attached to the Note Purchase Agreement at Exhibit 4.15. In connection with the Closing, the Sponsor further agrees to furnish or cause to be furnished to the Collateral Agent such other documents as may reasonably be requested by the Collateral Agent, including an opinion of counsel to Sponsor, certificates of good standing, organizational certificates and resolutions of Sponsor's board of directors authorizing the execution and delivery of this Agreement.

(d) Severability. Each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable Law. If any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable Law in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or the effectiveness or validity of any provision in any other jurisdiction. Should any ruling or illegality, invalidity or unenforceability be obtained, this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained in this Agreement. In addition, if such term or provision could be drawn more narrowly so as not to be illegal, invalid, prohibited or unenforceable in such jurisdiction, it shall be so narrowly drawn, as to such jurisdiction, without invalidating the remaining terms and provisions of this Agreement or affecting the legality, validity or enforceability of such term or provision in any other jurisdiction.

(e) Third-Party Beneficiaries and Obligations. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. The Noteholders are made express third party beneficiaries of the obligations of the Sponsor set forth in this Agreement. Sponsor (on behalf of itself and its Affiliates) agrees that each Party (and, to the extent provided in this Agreement, the Noteholders) shall be entitled to enforce specifically the terms of this Agreement following any Breach, and Sponsor agrees (on behalf of itself and its Affiliates) not to oppose the granting of specific performance or other equitable relief on the basis that a Party (or, to the extent provided in this Agreement, the Noteholders) has an adequate remedy

at law or that an award of specific performance is not an appropriate remedy for any reason at law or in equity. Sponsor (on behalf of itself and its Affiliates) further agrees that a Party (or, to the extent provided in this Agreement, the Noteholders) shall not be required to post a bond or undertaking in connection with any specific performance or other equitable relief sought in accordance with this **Section 4(e)**. Except as set forth in this **Section 4(e)**, nothing in this Agreement, express or implied, is intended to or shall confer upon any Person other than the Parties or their respective successors and permitted assigns, any rights, remedies or liabilities under or by reason of this Agreement.

(f) Integration. This Agreement and the other Note Documents are intended by the Parties as a final expression of their agreement and intended to be a complete and exclusive statement of the agreement and understanding of the Parties in respect of the subject matter contained in this Agreement and the other Note Documents. The Note Documents supersede all prior agreements and understandings between the Parties with respect to such subject matter. Each of the Parties acknowledges and agrees that in executing this Agreement, the intent of the Parties in this Agreement and the other Note Documents shall constitute an unseverable and single agreement of the Parties with respect to the transactions contemplated by this Agreement and such other Note Documents. On behalf of itself and each of its Affiliates, each Party waives any claim or defense based upon the characterization that this Agreement and the other Notes Documents are anything other than a true single agreement relating to such matters. Each Party further acknowledges and agrees the matters set forth in this **Section 4(f)** constitute a material inducement to enter into this Agreement and the other Notes Documents. Each of the Parties stipulates and agrees: (i) not to challenge the validity, enforceability or characterization of this Agreement and the other Notes Documents as a single, unseverable instrument pertaining to the matters that are the subject of such agreements; (ii) this Agreement and the other Notes Documents shall be treated as a single integrated and indivisible agreement for all purposes, including the bankruptcy of any Party and (iii) not to assert or take or omit to take any action inconsistent with the agreements and understandings set forth in this **Section 4(f)**.

(g) Counterparts. This Agreement may be executed in multiple counterparts and delivered by facsimile or portable document format (.pdf), each of which, when executed, shall be deemed an original, and all of which shall constitute but one and the same instrument binding on all the Parties.

(h) No Strict Construction. Notwithstanding the fact that this Agreement has been drafted or prepared by one of the Parties, each Party confirms that they and their respective counsel have reviewed, negotiated and adopted this Agreement as a joint agreement. As a result, the understanding of the Parties and the language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Person.

(i) Captions. The captions used in this Agreement are for convenience of reference only and do not constitute a part of this Agreement. Consequently, the captions shall not be deemed to limit, characterize or in any way affect any provision of this Agreement, and all provisions of this Agreement shall be enforced and construed as if no such caption or description had been used in this Agreement.

(j) Governing Law. This Agreement has been executed and delivered and shall be construed, interpreted and governed pursuant to and in accordance with the laws of the State of New York, without regard to any conflict of laws principles which, if applied, might permit or require the application of the laws of another jurisdiction.

(k) CONSENT TO JURISDICTION. EACH PARTY TO THIS AGREEMENT CONSENTS TO THE NON-EXCLUSIVE JURISDICTION OF ANY NEW YORK STATE OR FEDERAL COURT SITTING IN THE BOROUGH OF MANHATTAN, THE CITY OF NEW YORK. EACH PARTY IRREVOCABLY AGREES THAT ALL ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT (WHETHER SUCH ACTIONS OR PROCEEDINGS ARE BASED IN STATUTE, TORT, CONTRACT OR OTHERWISE), SHALL BE LITIGATED IN SUCH COURTS. EACH PARTY: (i) CONSENTS TO SUBMIT ITSELF TO THE PERSONAL JURISDICTION OF SUCH COURTS FOR SUCH ACTIONS OR PROCEEDINGS; (ii) AGREES THAT IT WILL NOT ATTEMPT TO DENY OR DEFEAT SUCH PERSONAL JURISDICTION BY MOTION OR OTHER REQUEST FOR LEAVE FROM ANY SUCH COURT AND (iii) AGREES THAT IT WILL NOT BRING ANY SUCH ACTION OR PROCEEDING IN ANY COURT OTHER THAN SUCH COURTS. EACH PARTY ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE EXCLUSIVE AND IRREVOCABLE JURISDICTION AND VENUE OF THE COURTS DESCRIBED IN THIS **SECTION 4(k)**. EACH PARTY WAIVES ANY DEFENSE OF FORUM NON CONVENIENS, AND IRREVOCABLY AGREES TO BE BOUND BY ANY NON-APPEALABLE JUDGMENT RENDERED IN CONNECTION WITH SUCH ACTIONS OR PROCEEDINGS. A COPY OF ANY SERVICE OF PROCESS SERVED UPON THE PARTIES SHALL BE MAILED BY REGISTERED MAIL TO THE RESPECTIVE PARTY. NOTWITHSTANDING THE FOREGOING, UNLESS OTHERWISE PROVIDED BY APPLICABLE LAW, ANY FAILURE TO MAIL SUCH COPY SHALL NOT AFFECT THE VALIDITY OF SERVICE OF PROCESS. IF ANY AGENT APPOINTED BY A PARTY REFUSES TO ACCEPT SERVICE, EACH PARTY AGREES THAT SERVICE UPON THE APPROPRIATE PARTY BY REGISTERED MAIL SHALL CONSTITUTE SUFFICIENT SERVICE. NOTHING IN THIS AGREEMENT SHALL AFFECT THE RIGHT OF A PARTY TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

(l) **WAIVER OF JURY TRIAL. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE PARTIES TO THIS AGREEMENT WAIVES ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT. EACH PARTY ALSO WAIVES ANY BOND OR SURETY OR SECURITY UPON SUCH BOND WHICH MIGHT, BUT FOR THIS WAIVER, BE REQUIRED OF ANY OF THE OTHER PARTIES. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS AGREEMENT, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY ACKNOWLEDGES THAT THIS WAIVER IS A**

MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THE WAIVER IN ENTERING INTO THIS AGREEMENT AND THAT EACH WILL CONTINUE TO RELY ON THE WAIVER IN THEIR RELATED FUTURE DEALINGS. EACH PARTY FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING. EACH PARTY FURTHER AGREES THAT THE WAIVER SET FORTH IN THIS SECTION 4(l) SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THE TRANSACTION CONTEMPLATED BY THIS AGREEMENT. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAYBE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(m) Remedies; Specific Enforcement. Except as otherwise set forth in this Agreement, the remedies provided by this Agreement are cumulative, not exclusive, of any remedies provided by Law or in equity, and may be pursued separately, successively, or concurrently. Each Party acknowledges that it would be impossible to determine the amount of damages that would result from any breach of any provision of this Agreement and that the remedy at law for any breach, or threatened breach, of any of such provisions would likely be inadequate and, accordingly, agrees that the other Party shall, in addition to any other rights or remedies which it may have, be entitled to such equitable relief as may be available from any court of competent jurisdiction to compel specific performance of, or restrain any party from violating, any of such provisions.

(n) Interpretation. The section and other headings and subheadings contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the Parties, and shall not in any way affect the meaning or interpretation of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. Unless otherwise specified, all references to days or months shall be deemed references to calendar days or months. Unless the context otherwise requires, any reference to a "Section" shall be deemed to refer to a section of this Agreement. The word "including" shall mean "including, without limitation". Reference to any agreement, document or instrument means such agreement, document or instrument as amended or otherwise modified from time to time in accordance with the terms of such document, and if applicable to this Agreement. The use of the words "or," "either" and "any" shall not be exclusive. If an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Wherever a conflict exists between (i) this Agreement and the CRC Guaranty Agreement, the CRC Guaranty Agreement shall control or (ii) this Agreement and any other agreement entered into by any member of the Sponsor Group with any member of the Company Group, this Agreement shall control but, in each case, solely to the extent of such conflict.

[*signature page follows*]

IN WITNESS WHEREOF, the Parties execute this Agreement, effective as of the Effective Date.

ELK HILLS POWER, LLC

By: /s/ Joanna M. Park
Name: Joanna M. Park
Title: Vice President and Treasurer

CALIFORNIA RESOURCES CORPORATION

By: /s/ Francisco Leon
Name: Francisco Leon
Title: Executive Vice President and Chief Financial Officer

EHP MIDCO HOLDING COMPANY, LLC

By: /s/ Francisco Leon
Name: Francisco Leon
Title: Executive Vice President and Chief Financial Officer