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): September 16, 2019 (September 10, 2019)

Harvest Oil & Gas Corp.
(Exact name of registrant as specified in its charter)

Delaware	**001-33024**	**80-0656612**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

1001 Fannin Street, Suite 750, Houston, Texas	**77002**
(Address of Principal Executive Offices)	**(Zip Code)**

(713) 651-1144
(Registrant's Telephone Number, Including Area Code)

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: None

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

Item 2.01. Completion of Acquisition or Disposition of Assets

As previously disclosed, on July 29, 2019, EV Properties, L.P. ("EV Properties"), a wholly-owned subsidiary of Harvest Oil & Gas Corp. (the "Company"), entered into a definitive agreement (as amended, the "Barnett PSA") to sell substantially all of its interests in the Barnett Shale (the "Barnett Transaction") to Bedrock Production, LLC, with an effective date of April 1, 2019. On September 10, 2019, EV Properties completed the sale of assets pursuant to the Barnett PSA for total cash consideration of $63.5 million, net of preliminary purchase price adjustments. The preliminary purchase price adjustments include a $6.4 million reduction in the purchase price paid at closing related to certain of the Company's interests that are not included in the initial closing but that are expected to be included in a subsequent closing in 2019. The foregoing description of the Barnett PSA and the Barnett Transaction does not purport to be complete and is qualified in its entirety by reference to the Barnett PSA, which is filed as Exhibits 2.1, 2.2, 2.3 and 2.4 to this Current Report on Form 8-K and is incorporated herein by reference.

Also as previously disclosed, on July 12, 2019, EV Properties entered into a definitive agreement (the "Mid-Con PSA") to sell certain oil and gas properties in the Mid-Continent area (the "Mid-Con Transaction") to BCE-Mach II LLC, with an effective date of January 1, 2019. On September 13, 2019, EV Properties completed the sale of assets pursuant to the Mid-Con PSA for total cash consideration of $5.4 million, net of preliminary purchase price adjustments. The foregoing description of the Mid-Con PSA and the Mid-Con Transaction does not purport to be complete and is qualified in its entirety by reference to the Mid-Con PSA, which is filed as Exhibits 2.5 and 2.6 to this Current Report on Form 8-K and is incorporated herein by reference.

The Company is currently considering alternatives to return net proceeds received from the Barnett Transaction and the Mid-Con Transaction to its shareholders, which could include dividends, distributions or share repurchases.

Item 7.01. Regulation FD Disclosure.

The following information is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

On September 16, 2019, the Company issued a press release announcing its completion of the Barnett Transaction and the Mid-Con Transaction, its plans for a new revolving credit facility and the initiation of a review of strategic alternatives. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference herein.

In conjunction with the closing of the Barnett Transaction and Mid-Con Transaction, the Company unwound hedges and received $7.9 million of proceeds. The volume of hedges unwound were 2,990,000 MMBtus of Natural Gas hedges for October through December 2019, 10,980,000 MMBtus of Natural Gas hedges for 2020, 85,400 Bbls of Crude Oil hedges for September through December 2019, 228,750 Bbls of Crude Oil hedges for 2020, 193,980 Bbls of Ethane hedges for September through December 2019, 457,500 Bbls of Ethane hedges for 2020, 89,060 Bbls of Propane hedges for September through December 2019 and 199,470 Bbls of Propane hedges for 2020.

Additionally, on September 13, 2019, the borrowing base under the existing credit facility was reduced to $50.0 million as a result of the asset sales in the Barnett Shale and Mid-Continent area.

Item 9.01. Financial Statements and Exhibits.

(b) *Pro forma financial information*.

The unaudited pro forma consolidated balance sheet of the Company as of June 30, 2019, which gives effect to the Barnett Transaction and the Mid-Con Transaction, and the unaudited pro forma consolidated statements of operations of the Company for the six months ended June 30, 2019 and the year ended December 31, 2018, which give effect to the Barnett Transaction and the Mid-Con Transaction as well as the sale completed on April 2, 2019 of the oil and gas properties in the San Juan Basin and the Company's plan of reorganization and fresh start accounting, are filed as Exhibit 99.2 to this Current Report on Form 8-K and incorporated by reference herein.

(d) *Exhibits.*

Exhibit Number	Description
2.1*	Purchase and Sale Agreement, dated as of July 29, 2019, by and between EV Properties, L.P. and Bedrock Production, LLC.
2.2	First Amendment to Purchase and Sale Agreement, dated as of August 28, 2019, by and between EV Properties, L.P. and Bedrock Production, LLC.
2.3	Second Amendment to Purchase and Sale Agreement, dated as of September 6, 2019, by and between EV Properties, L.P. and Bedrock Production, LLC.
2.4	Third Amendment to Purchase and Sale Agreement, dated as of September 6, 2019, by and between EV Properties, L.P. and Bedrock Production, LLC.
2.5*	Purchase and Sale Agreement, dated as of July 12, 2019, by and between EV Properties, L.P. and BCE-Mach II LLC.
2.6	First Amendment to Purchase and Sale Agreement, dated as of September 10, 2019, by and between EV Properties, L.P. and BCE-Mach II LLC.
99.1	Press Release of Harvest Oil & Gas Corp., dated September 16, 2019.
99.2	Unaudited pro forma consolidated balance sheet of the Company as of June 30, 2019 and the unaudited pro forma consolidated statements of operations of the Company for the six months ended June 30, 2019 and the year ended December 31, 2018 and the notes related thereto.

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* Certain schedules and similar attachments have been omitted pursuant to Item 601(a)(5) of Regulation S-K. In addition, pursuant to Item 601(b)(2) of Regulation S-K, certain immaterial provisions of the agreement that would likely cause competitive harm to the Company if publicly disclosed have been redacted. The Company hereby undertakes to furnish supplementally a copy of any of the omitted schedules and attachments and an unredacted copy of the agreement to the Securities and Exchange Commission upon request; provided, however, that the Company may request confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended, for any documents so furnished.

SIGNATURES

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.

September 16, 2019

Harvest Oil & Gas Corp.

By: /s/ RYAN STASH
Ryan Stash
Vice President and Chief Financial Officer

Exhibit 2.1

Certain information has been excluded from this agreement (indicated by "[***]") because such information (i) is not material and (ii) would be competitively harmful if publicly disclosed.

PURCHASE AND SALE AGREEMENT

Denton, Henderson, Hill, Hood, Johnson, Montague, Parker, Tarrant, and Wise, Counties, Texas

Subject to the terms of this agreement (this "Agreement"), EV Properties, L.P. ("Seller"), a Delaware limited partnership, agrees to sell, transfer and convey to Bedrock Production, LLC, a Texas limited liability company ("Buyer", and collectively with Seller, the "Parties", and each of Seller and Buyer, a "Party"), and Buyer agrees to purchase, acquire and accept, all of Seller's right, title and interest in and to (a) the oil and gas leases more fully described on the attached Exhibit A, including, without limitation, working interests, reversionary interests, royalty interests, overriding royalty interests, net revenue interests, farmout rights, options and other rights to the leases, fee minerals in place and all other interests of any kind or character associated with such leases (collectively, the "Leases") together with any leases that are pooled or unitized with any of the Leases and all lands covered by the Leases or such pools or units and any other lands located within the Counties of Denton, Henderson, Hill, Hood, Johnson, Montague, Parker, Tarrant, and Wise Counties, Texas, regardless of whether or not they are listed in the attached Exhibit A (the "Lands"); (b) all oil and gas wells, water wells and other wells located on or under the Leases and/or Lands, including the oil and gas wells more fully described on the attached Exhibit B and any other wells located within the Counties of Denton, Henderson, Hill, Hood, Johnson, Montague, Parker, Tarrant, and Wise Counties, Texas, regardless of whether or not they are listed in the attached Exhibit B (the "Wells") and all hydrocarbons produced therefrom after the Effective Time; (c) all contracts affecting or associated with the Leases, Lands and Wells, including those set forth on the attached Exhibit C (excluding the Leases and Surface Rights, and any deeds of trust, mortgages, financing statements, fixture filings and security agreements, the "Contracts"); (d) all surface rights related to the Leases and Lands, including but not limited to, those set forth on the attached Exhibit D (the "Surface Rights"); (e) the associated equipment and facilities located on the Leases, Lands or Surface Rights and used primarily in connection with operations (as hereinafter defined), including all wellhead equipment, pumps, pumping units, hydrocarbon measurement facilities, compressors, tanks, buildings, treatment facilities, injection facilities, disposal facilities, compression facilities, pipe, parts, tools, telemetry devices; (f) all hydrocarbons in storage or existing in stock tanks, pipelines or plants (including inventory) as of the Effective Time; and (g) all lease files; land files, including unrecorded agreements related thereto; well files; gas and oil sales contract files; gas processing files; division order files; abstracts; title opinions; land surveys; non-confidential logs; maps; engineering data and reports; all geological and geophysical data (including all seismic data, seismic interpretations and reprocessed data) and all logs, cores and rights to access cores, interpretive data, technical evaluations and technical outputs (in each case, to the extent (A) assignable by Seller without payment of any fee unless Buyer agrees in writing to pay such fee and (B) not constituting proprietary information of Seller); and other books, records, data, files, and accounting records, in each case, to the extent related primarily to the Assets, or used or held for use primarily in connection with the maintenance or operation thereof, but excluding (i) any books, records, data, files, maps and accounting records to the extent disclosure or transfer is restricted or prohibited by third-party agreement or applicable Law, (ii) attorney-client privileged communications and work product of Seller's legal counsel (other than title opinions), (iii) reserve studies and evaluations, and (iv) records relating to the negotiation and consummation of the sale of the Assets pursuant to this Agreement (subject to such exclusions, the "Records") (collectively, less and except the Excluded Assets, the "Assets"). The purchase price for the Assets shall be Seventy Two Million Dollars ($72,000,000.00), subject to any adjustments that may be made under Section 4 (the "Purchase Price"). Concurrently with the execution of this Agreement, Buyer, Seller and Wells Fargo, N.A. (the "Escrow Agent") shall enter into that certain Escrow Agreement (the "Escrow Agreement") of even date herewith and Buyer shall deposit into the Escrow Account contemplated by the Escrow Agreement, via wire transfer of immediately available funds, the sum of Seven Million Two

Hundred Thousand Dollars ($7,200,000.00) representing ten percent (10%) of the unadjusted Purchase Price (such amount, the "Deposit"). If the Closing (as hereinafter defined) occurs, the Deposit (plus any interest earned thereon) shall be applied as a credit toward the Purchase Price at Closing. In the event this Agreement is terminated by Buyer or Seller in accordance with the terms of this Agreement, the Parties shall cause the Escrow Agent to pay the Deposit to Buyer or Seller in accordance with Section 20(b).

The sale contemplated in this Agreement is subject to the following terms and conditions:

1. ***Effective Time***. The effective time of the purchase of the Assets shall be 12:01 a.m. Central Time on April 1, 2019 (the "Effective Time").

2. ***Excluded Assets***. Seller shall reserve and retain the following "Excluded Assets": (a) all of Seller's corporate minute books and corporate financial records that relate to Seller's business generally; (b) all trade credits, all accounts, receivables, if any, and all other proceeds, income or revenues attributable to the Assets with respect to any period of time prior to the Effective Time; (c) all claims, causes of action, manufacturers' and contractors' warranties and other rights of Seller arising under or with respect to (i) any Assets that are attributable to periods of time prior to the Effective Time including claims for adjustments or refunds, and (ii) any other Excluded Assets; (d) all hydrocarbons produced from the Assets with respect to all periods prior to the Effective Time, other than those hydrocarbons produced from or allocated to the Assets and in storage or existing in stock tanks, pipelines or plants (including inventory) as of the Effective Time, subject to the Purchase Price adjustment described in Section 4; (e) all personal computers, network equipment and associated peripherals; (f) all trucks, cars and vehicles; (g) all master services agreements or similar contracts; (h) all easements, rights-of-way, surface rights, equipment, pipe and inventory (in each case, whether located on or off the Lands or Lands pooled or unitized therewith) not used solely in connection with the ownership of the Assets (other than any surface rights granted under any of the Leases); (i) all of Seller's proprietary computer software, patents, trade secrets, copyrights, names, trademarks, logos and other intellectual property; (j) all documents and instruments and other data or information of Seller that may be protected by an attorney-client privilege; (k) all documents and instruments and other data or information that cannot be disclosed to Buyer as a result of confidentiality arrangements under agreements with third parties; (l) all audit rights arising under any of the Contracts or otherwise with respect to (i) any period prior to the Effective Time, with respect to the Assets or (ii) any of the other Excluded Assets; (m) all claims of Seller or any of its affiliates for refunds of, rights to receive funds from any governmental entities, or loss carry forwards or credits with respect to (i) any and all income or franchise Taxes imposed by any applicable law on, or allocable to, Seller or any of its affiliates, or any combined, unitary or consolidated group of which any of the foregoing is or was a member, (ii) any and all Asset Taxes allocable to Seller pursuant to Section 19, (iii) any Taxes imposed on or with respect to the ownership or operation of the Excluded Assets, and (iv) any and all other Taxes imposed on or with respect to the ownership of the Assets for any Tax period (or portion thereof) ending before the Effective Time; (n) original copies of the Records; and (o) any assets set forth on Exhibit F.

3. ***Allocated Values***. The "Allocated Value" for each Well shall be agreed upon by Buyer and Seller and shall be set forth on Exhibit B.

4. ***Purchase Price Adjustments***.

(a) Following Closing, Buyer shall be entitled to all revenues, production, proceeds, income and products from or attributable to the Assets from and after the Effective Time, and shall be responsible for (and entitled to any refunds with respect to) all costs and expenses attributable to the Assets and incurred from and after the Effective Time (excluding any management, administrative or overhead fees paid by Seller or its affiliates to EnerVest Operating, L.L.C. or its affiliates). Seller shall be entitled to all revenues, production, proceeds, income, accounts receivable and products from or attributable to the Assets prior to the Effective Time, and shall be responsible for (and entitled to any refunds with respect to) all costs and expenses attributable to the Assets and incurred prior to the Effective Time.

(b) The Purchase Price shall be, without duplication,

(i) increased by the following amounts:

(1) the aggregate amount of proceeds received by Buyer for which Seller would otherwise be entitled under Section 4(a) with respect to the Assets;

(2) an amount equal to the market value of all hydrocarbons attributable to the Assets in storage or existing in stock tanks, pipelines and/or plants (including inventory), in each case, that are, as of the Effective Time, (i) upstream of the pipeline connection or (ii) upstream of the sales meter, in each case, net of burdens;

(3) the aggregate amount of all non-reimbursed costs and expenses which are attributable to the Assets during the period from and after the Effective Time and that have been paid by Seller;

(4) the amount of all Asset Taxes allocable to Buyer pursuant to Section 19 but paid or otherwise economically borne by Seller;

(5) the amount, if any, of imbalances in favor of Seller, *multiplied by* $2.35/Mcf, or, to the extent that applicable Contracts provide for cash balancing, the actual cash balance amount determined to be due to Seller as of the Effective Time; and

(6) any other upward adjustment provided for in this Agreement or mutually agreed upon by the Parties; and

(ii) decreased by the following amounts:

(1) the aggregate amount of proceeds received by Seller for which Buyer would otherwise be entitled under Section 4(a) with respect to the Assets;

(2) the aggregate amount of all non-reimbursed costs and expenses which are attributable to the Assets during the period prior to the Effective Time and that have been paid by Buyer;

(3) the amount of all Asset Taxes allocable to Seller pursuant to Section 19 but paid or otherwise economically borne by Buyer;

(4) the amount, if any, of imbalances owing by Seller, *multiplied by* $2.35/Mcf, or, to the extent that applicable Contracts provide for cash balancing, the actual cash balance amount determined to be owed by Seller as of the Effective Time;

(5) an amount equal to all proceeds from sales of hydrocarbons relating to the Assets and payable to owners of working interests, royalties, overriding royalties and other similar interests (in each case) that are held by Seller in suspense as of the Closing;

(6) subject to Section 11, the Title Defect Amount of any uncured Title Defects under Section 11(d)(i) and/or the Allocated Value of any excluded Title Defect Property (and associated Assets) under Section 11(d)(iii);

(7) subject to Section 12, the Remediation Amount of any uncured Environmental Defects under Section 12(d)(i) and/or the Allocated Value of any excluded Environmental Defect Property (and associated Assets) under Section 12(d)(iii); and

(8) any other downward adjustment provided for in this Agreement or mutually agreed upon by the Parties.

(c) Not less than five (5) days prior to Closing, Seller shall deliver to Buyer a statement (the "Preliminary Settlement Statement") setting forth, in reasonable detail, Seller's estimate of the adjustments to the Purchase Price pursuant to this Section 4. Not less than two (2) days prior to Closing, Buyer shall notify Seller if it disagrees with any item on such Preliminary Settlement Statement. If the Parties cannot agree, the Purchase Price at Closing shall be based on the Preliminary Settlement Statement delivered by Seller and the final Purchase Price shall be determined pursuant to the final settlement statement (the "Final Settlement Statement") which shall be prepared by Seller and delivered to Buyer within ninety (90) days following Closing. After receipt of the proposed Final Settlement Statement from Seller, Buyer shall notify Seller of any disagreement that Buyer has with respect to the proposed Final Settlement Statement. If Buyer does not notify Seller of any disagreement with respect to the proposed Final Settlement Statement within thirty (30) days of Buyer's receipt of the proposed Final Settlement Statement, the proposed Final Settlement Statement will be deemed to be mutually agreed upon by the Parties and will be final and binding upon the Parties. Seller and Buyer shall work in good faith to resolve any such disputes with respect to the Final Settlement Statement, and any disagreement between the Parties as to the Final Settlement Statement shall be decided by the Independent Expert referred to in Section 5 in Appendix I.

5. ***Special Warranty of Title***. Notwithstanding any other provision contained herein to the contrary, Seller shall provide a special warranty of Defensible Title to the Assets in the Assignment by, through and under Seller, but not otherwise. Buyer shall not be entitled to protection under such special warranty of Defensible Title to the Assets in the Assignment against any Title Defect asserted by Buyer or which Buyer failed to assert with respect to the Assets prior to the Defect Claim Date. If Buyer provides written notice of a breach of such special warranty of Defensible Title to Seller, Seller shall have a reasonable

opportunity to cure such breach. In any event, the recovery on a breach of Seller's special warranty under the Assignment shall not exceed the Allocated Value of the affected Asset.

6. ***Disclaimers***.

(A) EXCEPT AS AND TO THE LIMITED EXTENT EXPRESSLY SET FORTH IN SECTION 14 AND WITH RESPECT TO THE SPECIAL WARRANTY OF DEFENSIBLE TITLE IN THE ASSIGNMENT, (I) SELLER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS, STATUTORY OR IMPLIED, AND (II) SELLER EXPRESSLY DISCLAIMS ALL LIABILITY AND RESPONSIBILITY (OTHER THAN AS PROVIDED IN SECTION 14) FOR ANY REPRESENTATION, WARRANTY, STATEMENT OR INFORMATION MADE OR COMMUNICATED (ORALLY OR IN WRITING) TO BUYER OR ANY BUYER REPRESENTATIVE (INCLUDING ANY OPINION, INFORMATION, PROJECTION OR ADVICE THAT MAY HAVE BEEN PROVIDED TO BUYER BY A MEMBER OF THE SELLER GROUP).

(B) EXCEPT AS AND TO THE LIMITED EXTENT EXPRESSLY SET FORTH IN SECTION 14 AND WITH RESPECT TO THE SPECIAL WARRANTY OF DEFENSIBLE TITLE IN THE ASSIGNMENT, AND WITHOUT LIMITING THE GENERALITY OF SECTION 6(A), SELLER EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY, EXPRESS, STATUTORY OR IMPLIED BY ANY MEMBER OF THE SELLER GROUP, AS TO (I) TITLE TO ANY OF THE ASSETS, (II) THE CONTENTS, CHARACTER OR NATURE OF ANY REPORT OF ANY PETROLEUM ENGINEERING CONSULTANT, OR ANY ENGINEERING, GEOLOGICAL OR SEISMIC DATA OR INTERPRETATION, RELATING TO THE ASSETS, (III) THE QUANTITY, QUALITY OR RECOVERABILITY OF HYDROCARBONS IN OR FROM THE ASSETS, (IV) ANY ESTIMATES OF THE VALUE OF THE ASSETS OR FUTURE REVENUES GENERATED BY THE ASSETS, (V) THE PRODUCTION OF HYDROCARBONS FROM THE ASSETS, (VI) THE MAINTENANCE, REPAIR, CONDITION, QUALITY, SUITABILITY, DESIGN OR MARKETABILITY OF THE ASSETS, (VII) THE CONTENT, CHARACTER OR NATURE OF ANY INFORMATION, MEMORANDUM, REPORTS, BROCHURES, CHARTS OR STATEMENTS PREPARED BY OR ON BEHALF OF SELLER OR THIRD PARTIES WITH RESPECT TO THE ASSETS, (VIII) ANY OTHER MATERIALS OR INFORMATION THAT MAY HAVE BEEN MADE AVAILABLE TO BUYER OR ANY BUYER REPRESENTATIVE IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY DISCUSSION OR PRESENTATION RELATING THERETO AND (IX) ANY IMPLIED OR EXPRESS WARRANTY OF FREEDOM FROM PATENT OR TRADEMARK INFRINGEMENT. EXCEPT AS AND TO THE LIMITED EXTENT EXPRESSLY SET FORTH IN SECTION 14 OR THE ASSIGNMENT, SELLER FURTHER DISCLAIMS ANY REPRESENTATION OR WARRANTY, EXPRESS, STATUTORY OR IMPLIED, OF MERCHANTABILITY, FREEDOM FROM LATENT VICES OR DEFECTS, FITNESS FOR A PARTICULAR PURPOSE OR CONFORMITY TO MODELS OR SAMPLES OF MATERIALS OF ANY ASSETS, RIGHTS OF A PURCHASER UNDER APPROPRIATE STATUTES TO CLAIM DIMINUTION OF CONSIDERATION OR RETURN OF THE PURCHASE PRICE OR CONSIDERATION, IT BEING EXPRESSLY UNDERSTOOD AND AGREED BY THE PARTIES THAT, BUYER SHALL BE DEEMED TO BE ACQUIRING THE ASSETS IN THEIR PRESENT STATUS, CONDITION AND STATE OF REPAIR, "AS IS" AND "WHERE IS" WITH

ALL FAULTS OR DEFECTS (KNOWN OR UNKNOWN, LATENT, DISCOVERABLE OR UNDISCOVERABLE), AND THAT BUYER HAS MADE OR CAUSED TO BE MADE SUCH INSPECTIONS AS BUYER DEEMS APPROPRIATE.

(C) EXCEPT AS AND TO THE LIMITED EXTENT SET FORTH IN SECTION 14(H), SELLER HAS NOT AND WILL NOT MAKE ANY REPRESENTATION OR WARRANTY REGARDING ANY MATTER OR CIRCUMSTANCE RELATING TO ENVIRONMENTAL LAWS, THE RELEASE OF HAZARDOUS MATERIALS OR OTHER MATERIALS INTO THE ENVIRONMENT OR THE PROTECTION OF HUMAN HEALTH, SAFETY, NATURAL RESOURCES OR THE ENVIRONMENT, OR ANY OTHER ENVIRONMENTAL CONDITION OF THE ASSETS, AND NOTHING IN THIS AGREEMENT OR OTHERWISE SHALL BE CONSTRUED AS SUCH A REPRESENTATION OR WARRANTY, AND BUYER SHALL BE DEEMED TO BE ACQUIRING THE ASSETS "AS IS" AND "WHERE IS" WITH ALL FAULTS FOR PURPOSES OF THEIR ENVIRONMENTAL CONDITION AND THAT BUYER HAS MADE OR CAUSED TO BE MADE SUCH ENVIRONMENTAL INSPECTIONS AS BUYER DEEMS APPROPRIATE.

(D) SELLER AND BUYER AGREE THAT, TO THE EXTENT REQUIRED BY APPLICABLE LAW TO BE EFFECTIVE, THE DISCLAIMERS OF CERTAIN REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS SECTION 6 ARE CONSPICUOUS DISCLAIMERS FOR THE PURPOSE OF ANY APPLICABLE LAW.

7. ***Obligations***.

(a) From and after the Closing, but without limiting Buyer's right to indemnification under Section 8, Buyer shall assume and hereby agrees to fulfill, perform, pay and discharge (or cause to be fulfilled, performed, paid or discharged) all of the obligations and liabilities of Seller with respect to the Assets, regardless of whether such obligations or liabilities arose prior to, on or after the Effective Time, including, without limitation, any and all obligations or liabilities relating to imbalances, suspense funds and plugging and abandonment obligations attributable to the Assets, Environmental Liabilities and all decommissioning liabilities, and including any and all Asset Taxes (all of said obligations and liabilities, herein being referred to as the "Assumed Obligations").

(b) "Specified Obligations" shall be all obligations and liabilities solely to the extent arising out of or related to (i) personal injury or death to the extent occurring prior to the Closing; (ii) any offsite disposal of hazardous materials generated by Seller and taken from the Assets to offsite locations occurring prior to the Closing; (iii) any and all income or franchise Taxes imposed by any applicable law on, or allocable to, Seller or any of its affiliates, or any combined, unitary or consolidated group of which any of the foregoing is or was a member; (iv) any and all Asset Taxes allocable to Seller pursuant to Section 19; (v) the employment relationship between Seller (or its affiliates) and any of their respective present or former employees or the termination of any such employment relationship prior to the Closing; (vi) any non-payment or mis-payment of royalties by Seller (or on behalf of Seller) with respect to the Assets attributable to periods prior to the Closing date; (vii) the Excluded Assets; and (viii) solely to the extent attributable to the Assets, any suits, actions, arbitration proceedings or other litigation set forth on Schedule 14(k).

8. ***Indemnities***.

(a) Buyer shall be responsible for and indemnify, defend, release and hold harmless Seller, its current and former affiliates, and each of their respective officers, directors, managers, members, employees, agents, advisors and other representatives (the "Seller Group") from and against any and all claims, demands, payments, charges, judgments, assessments, losses, liabilities, damages, penalties, fines, expenses, costs, fees, settlements and deficiencies, including any attorneys' fees, legal and other costs and expenses suffered or incurred therewith (collectively, "Damages") caused by, arising out of or resulting from:

(i) the Assumed Obligations;

(ii) Buyer's breach of any representation or warranty contained in this Agreement; and

(iii) Buyer's breach of, or default under, any of its covenants or obligations under this Agreement.

Buyer's indemnity obligations set forth in this Section 8(a) shall survive the Closing of the transaction contemplated hereby without time limit.

(b) Seller shall be responsible for and indemnify, defend, release and hold harmless Buyer, its current and former affiliates, and each of their respective officers, directors, managers, members, employees, agents, advisors and other representatives (the "Buyer Group") from and against all Damages caused by, arising out of or resulting from:

(i) the Specified Obligations;

(ii) Seller's breach of any representation or warranty contained in the Agreement; and

(iii) Seller's breach of, or default under, any of its covenants or obligations under this Agreement.

Seller's indemnity obligations set forth in this Section 8(b) with respect to Seller's breach of any representation or warranty contained in the Agreement or with respect to the Specified Obligations shall survive the Closing of the transaction contemplated hereby for a period of six (6) months from the Closing date and shall thereafter terminate and have no further force or effect; *provided, however*, any representation or warranty or Specified Obligation as to which a claim shall have been asserted prior to the six (6) month anniversary of the Closing date shall survive solely with respect to such claim until such claim and the indemnity with respect thereto are resolved. Notwithstanding anything herein to the contrary, in no event shall Seller indemnify Buyer for (A) any individual claim with respect to Seller's breach of any representation or warranty contained in the Agreement that does not exceed [***] Dollars ($[***]) (the "Indemnification Threshold"), (B) any claims with respect to Seller's breach of any representation or warranty contained in the Agreement exceeding the Indemnification Threshold unless and until the aggregate amount of all indemnification claims (exceeding the Indemnification

Threshold) for which Seller is liable under this Agreement exceed [***] percent ([***]%) of the Purchase Price (the "Indemnity Deductible") and then only to the extent such liabilities exceed the Indemnity Deductible, and (C) aggregate indemnification claims in excess of [***] percent ([***]) of the Purchase Price. The limitations described in this paragraph will not apply to the extent of Seller's breach of its representations under Section 14(a), Section 14(b), or Section 14(i) or fraud on the part of the Seller; *provided, however* that Seller's obligation to indemnify the Buyer for a breach of Seller's representations and warranties contained in this Agreement, the Specified Obligations, and Seller's breach of, or default under, any of its covenants or obligations under this Agreement shall be capped at the Purchase Price.

(C) NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, FROM AND AFTER CLOSING, THIS SECTION 8 CONTAINS BUYER'S EXCLUSIVE REMEDY AGAINST SELLER AND ANY MEMBER OF THE SELLER GROUP WITH RESPECT TO BREACHES OF THE REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF THE PARTIES IN THIS AGREEMENT AND OTHERWISE WITH RESPECT TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT AND THE ASSETS. EXCEPT FOR THE REMEDIES SPECIFIED IN THIS SECTION 8, EFFECTIVE AS OF CLOSING, BUYER, ON ITS OWN BEHALF AND ON BEHALF OF THE BUYER GROUP HEREBY RELEASES, REMISES AND FOREVER DISCHARGES THE SELLER GROUP FROM ANY AND ALL PROCEEDINGS, CLAIMS AND DAMAGES WHATSOEVER, IN LAW OR IN EQUITY, KNOWN OR UNKNOWN, ABSOLUTE OR CONTINGENT, WHICH BUYER GROUP MIGHT NOW OR SUBSEQUENTLY MAY HAVE, BASED ON, RELATING TO, OR ARISING OUT OF THE ASSETS OR THE OWNERSHIP, USE OR OPERATION THEREOF PRIOR TO CLOSING, OR THE CONDITION, QUALITY, STATUS OR NATURE OF ANY OF THE ASSETS PRIOR TO CLOSING, INCLUDING BREACHES OF STATUTORY OR IMPLIED WARRANTIES, NUISANCE OR OTHER TORT ACTIONS, RIGHTS TO PUNITIVE DAMAGES, COMMON LAW RIGHTS OF CONTRIBUTION AND RIGHTS UNDER INSURANCE MAINTAINED BY SELLER GROUP.

(d) The indemnity of each Party provided in this Section 8 shall be for the benefit of and extend to each person included in the Seller Group and the Buyer Group, as applicable; *provided, however*, that any claim for indemnity under this Section 8 by any such person must be brought and administered by a Party to this Agreement (at such Party's sole discretion).

(E) THE PARTIES AGREE THAT ANY INDEMNITY, DEFENSE AND/OR RELEASE OBLIGATION ARISING UNDER THIS AGREEMENT SHALL APPLY WITHOUT REGARD TO THE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF THE INDEMNIFIED PARTY, WHETHER ACTIVE, PASSIVE, JOINT, CONCURRENT, COMPARATIVE, CONTRIBUTORY OR SOLE, OR ANY PRE-EXISTING CONDITION, ANY BREACH OF CONTRACT OR BREACH OF WARRANTY OR VIOLATION OF ANY LEGAL REQUIREMENT, EXCEPT TO THE EXTENT SUCH DAMAGES WERE OCCASIONED BY THE GROSS NEGLIGENCE OR WILLFUL

MISCONDUCT OF THE INDEMNIFIED PARTY OR ANY GROUP MEMBER THEREOF. THE FOREGOING IS A SPECIFICALLY BARGAINED FOR ALLOCATION OF RISK AMONG THE PARTIES, WHICH THE PARTIES AGREE AND ACKNOWLEDGE SATISFIES ANY APPLICABLE EXPRESS NEGLIGENCE RULE AND/OR CONSPICUOUSNESS REQUIREMENT (OR SIMILAR RULES OR REQUIREMENTS) UNDER APPLICABLE LAW.

(F) Payments by an indemnifying party in respect of any indemnified loss hereunder shall be limited to the amount of any liability or damage that remains after deducting therefrom any insurance proceeds and any indemnity, contribution or other similar payment actually received by the indemnified party in respect of any such claim. Each indemnified party shall use its commercially reasonable efforts to recover under insurance policies or indemnity, contribution or other similar agreements for any losses.

9 . ***Due Diligence Review; Access to Files***. Buyer shall have until the Closing date to examine the Assets, production records, operational records and the Records, and Seller shall allow Buyer reasonable access to its files relating to the Assets and the Records in Seller's possession at its offices and will use commercially reasonable efforts to provide Buyer a reasonable opportunity to inspect the Assets and the Records, in each case, during normal business hours following reasonable prior written notice. Notwithstanding the provisions of this Section 9, Buyer's investigation shall be conducted in a manner that minimizes interference with the operation of the business of Seller and any applicable third parties.

10 . ***Specific Performance***. Prior to Closing, Seller and Buyer acknowledge that the remedies at law or in equity of Seller and Buyer for a breach or threatened breach of this Agreement may be inadequate and, in recognition of this fact, either Party, without posting any bond or the necessity or proving the inadequacy as a remedy of monetary damages, and in addition to all other remedies that may be available, shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy that may then be available.

11. ***Title Defect Notices; Title Defect Adjustments***.

(a) *Certain Title Defect Terms*. Appendix I is hereby incorporated by reference.

(b) *Title Defect Notices*. On or before 5:00 p.m., Central Time, on the date that is seven (7) days prior to the Closing date (the "Defect Claim Date"), Buyer shall deliver claim notices to Seller meeting the requirements of this Section 11 (collectively, the "Title Defect Notices," and each individually, a "Title Defect Notice") setting forth any matters that, in Buyer's reasonable and good faith opinion, constitute Title Defects. For all purposes of this Agreement and notwithstanding anything herein to the contrary, Buyer shall be deemed to have waived, and Seller shall have no liability for, any Title Defect or other title matter that Buyer fails to assert as a Title Defect in a sufficient Title Defect Notice received by Seller on or before the Closing date. To be effective, each Title Defect Notice shall be in writing and shall include: (i) a description of the alleged Title Defect, (ii) identification of the individual Well (and any associated Assets) affected by the Title Defect (each such Asset, a " Title Defect Property"), (iii) the Allocated Value of each Title Defect Property, (iv) supporting documents reasonably necessary for Seller to verify the existence of the alleged Title Defect,

and (v) the amount by which Buyer reasonably believes the Allocated Value of each Title Defect Property is reduced by the alleged Title Defect and the computations (with specific supporting detail) upon which Buyer's belief is based. To give Seller an opportunity to commence reviewing and curing Title Defects, Buyer agrees to provide Seller weekly written notice of all Title Defects discovered by Buyer, which notice may be supplemented on or prior to the Defect Claim Date.

(c) *Seller's Right to Cure*. Notwithstanding anything to the contrary herein, Seller shall have the right, but not the obligation, to attempt, at its sole cost, to cure, at any time prior to the expiration of ninety (90) days following the Closing (the "Cure Period"), any Title Defects of which it has timely received a Title Defect Notice from Buyer.

(i) If Seller elects to cure a Title Defect pursuant to Section 11(d)(ii) and Seller and Buyer mutually agree that a Title Defect with respect to a Transferred Title Defect Property has been cured, then within five (5) business days after such determination, Seller and Buyer shall execute and deliver all necessary documents to cause the amount withheld in the Defects Escrow (as defined in Section 11(d)(ii)) with respect thereto (and any interest earned thereon) to be released to Seller in accordance with the terms of the Escrow Agreement. If Seller and Buyer mutually agree that a Title Defect with respect to a Transferred Title Defect Property has been partially cured, then Seller and Buyer shall reasonably agree upon the portion of the amount retained in the Defects Escrow with respect thereto (together with any interest earned thereon) that should be paid to Buyer to compensate it for the uncured portion thereof (together with interest earned thereon), and the remaining portion of such amount shall be released to Seller (together with any interest earned thereon) in accordance with the terms of the Escrow Agreement. If as of the 90th day following the Closing, Seller has been unable to cure, or has only partially cured, a Title Defect (and there is no dispute as to whether or not it has been cured or partially cured) with respect to a Transferred Title Defect Property, the amount withheld in the Defects Escrow with respect to the uncured portion thereof shall be released to Buyer, and the amount withheld in the Defects Escrow with respect to the cured portion thereof shall be released to Seller (in both cases, together with any interest earned thereon) and, in both cases, in accordance with the terms of the Escrow Agreement. If by such 90th day following the Closing Seller and Buyer have not agreed whether there has been a satisfactory resolution of a Title Defect with respect to a Transferred Title Defect Property, then such disagreement shall be resolved as provided in Section 5 of Appendix I (*provided*, the amount owed to Buyer and/or Seller shall be released from the Defects Escrow to the applicable Party (together with any interest earned thereon)). Seller and Buyer agree to jointly instruct the Escrow Agent to pay any applicable amounts in the Defects Escrow in accordance with this Section 11(c)(i).

(ii) With respect to each Title Defect that has been fully cured in accordance with the provisions hereof after the Closing but prior to the expiration of the Cure Period, Seller and Buyer shall, within five (5) business days following Seller's notice of cure, jointly instruct the Escrow Agent to pay any applicable amounts withheld in the Defects Escrow thereof to Seller.

(iii) If a Title Defect Property is retained by Seller pursuant to Section 11(d)(iii) and Seller thereafter cures, during the Cure Period, the Title Defect for which such exclusion was made, then within five (5) business days after the expiration of the Cure Period, subject to any other provisions of this Agreement, such Title Defect Property (or portion thereof) that was previously excluded shall again be subject to the terms of this Agreement and Buyer shall pay to Seller an amount equal to the Allocated Value of such Title Defect Property (subject to the adjustments set forth in Section 4) and, contemporaneously with Buyer's payment, Seller shall convey to Buyer such previously excluded Title Defect Property (or portion thereof) pursuant to an assignment instrument substantially in form and substance of Exhibit E.

(d) *Remedies for Title Defects*. Subject to (w) Seller's continuing right to dispute the existence of a Title Defect and/or the Title Defect Amount asserted with respect thereto, (x) the Individual Title Defect Threshold, (y) the Aggregate Deductible, and (z) Seller's ongoing right to cure any Title Defect under Section 11, whether before, at or after Closing, if any Title Defect timely asserted by Buyer in accordance with Section 11(b) is not cured by Closing, then in connection with the Closing, Seller shall, at its sole option and discretion, elect one of the following remedies for such Title Defect:

(i) Convey the entirety of the Title Defect Property that is subject to such Title Defect, in which Seller has elected not to cure, to Buyer, together with all associated Assets, at Closing, and make an accompanying reduction to the Purchase Price in an amount determined pursuant to Appendix I as being the Title Defect Amount;

(ii) Convey the entirety of the Title Defect Property that is subject to such Title Defect, in which Seller has elected to cure, to Buyer, together with all associated Assets, at Closing, and make a reduction to the Purchase Price in an amount determined pursuant to Appendix I as being the Title Defect Amount (or, if the Title Defect Amount is in dispute, Seller's reasonable, good faith determination thereof) (the "Defects Escrow Amount"). At the Closing, an amount equal to the Defects Escrow Amount shall be retained in the Escrow Account (or if the Defects Escrow Amount exceeds the balance of the Escrow Account, Buyer shall deliver the amount of such excess to the Escrow Agent at the Closing) (the Escrow Account, for such purposes, the "Defects Escrow"). The Defects Escrow Amount with respect to any Title Defect Property will remain therein until released as provided in Section 11(c)(i), and any such Title Defect Property shall be referred to as a "Transferred Title Defect Property";

(iii) If the Title Defect Amount for such Title Defect equals or exceeds the Allocated Value of such Title Defect Property, subject to Seller's right to cure in Section 11(c)(iii), retain the entirety of the Title Defect Property that is subject to such Title Defect, together with all associated Assets (in which case, such Assets shall become Excluded Assets hereunder), and reduce the Purchase Price by an amount equal to the Allocated Value of such Title Defect Property (and associated Assets that are so excluded); or

(iv) Convey the entirety of the Title Defect Property that is subject to such Title Defect to Buyer and indemnify Buyer for six (6) months after the Closing date against all liability, up to the Allocated Value of the affected Title Defect Property, resulting from such Title Defect pursuant to an indemnity agreement prepared by the Parties in a form and substance reasonably acceptable to the Parties; *provided*, that Seller may not elect this remedy without Buyer's written consent, which may be withheld in Buyer's sole discretion.

(e) *Title Threshold and Deductible*. Notwithstanding anything herein to the contrary, (i) in no event shall there be any adjustments to the Purchase Price or any other remedy provided by Seller hereunder or any claim for any breach of the special warranty of Defensible Title contained in the Assignment, for any individual Title Defect for which the Title Defect Amount applicable thereto does not exceed [***] Dollars ($[***]) per Title Defect Property (the "Individual Title Defect Threshold"); and (ii) in no event shall there be any adjustments to the Purchase Price or any other remedy provided by Seller hereunder, including any claim for any breach of the special warranty of Defensible Title, for any Title Defect for which the Title Defect Amount applicable thereto exceeds the Individual Title Defect Threshold unless and until (A) the sum of (1) the Title Defect Amounts of all such Title Defects that exceed the Individual Title Defect Threshold, in the aggregate (excluding any Title Defect Amounts attributable to (x) Title Defects cured by Seller, (y) Title Defect Properties retained by Seller pursuant to Section 11(d)(iii), and (z) Title Defects for which Seller will indemnify Buyer pursuant to Section 11(d)(iv)), *plus* (2) the Remediation Amounts of all Environmental Defects that exceed the Individual Environmental Defect Threshold, in the aggregate (excluding any Remediation Amounts attributable to (x) Environmental Defects cured or Remediated by Seller, (y) Environmental Defect Properties that are retained by Seller pursuant to Section 12(d)(iii), and (z) Environmental Defects for which Seller will indemnify Buyer pursuant to Section 12(d)(iv)), exceeds (B) [***] percent ([***]%) of the unadjusted Purchase Price (the "Aggregate Deductible"), in which case Buyer shall be entitled to remedies for such Title Defects to the extent, but only to the extent, that the aggregate of such amounts are in excess of such Aggregate Deductible.

(F) *EXCLUSIVE REMEDY*. THE PROVISIONS OF SECTION 11(D) SHALL BE THE EXCLUSIVE RIGHT AND REMEDY OF BUYER WITH RESPECT TO ANY TITLE DEFECT OR OTHER TITLE MATTERS. BUYER HEREBY EXPRESSLY WAIVES ANY AND ALL OTHER RIGHTS OR REMEDIES WITH RESPECT THERETO.

12. ***Environmental Defects***.

(a) *Certain Environmental Defect Terms*. Appendix II is hereby incorporated by reference.

(b) *Assertions of Environmental Defects*. On or before the Defect Claim Date, Buyer shall deliver claim notices to Seller meeting the requirements of this Section 12 (collectively, the "Environmental Defect Notices", and each individually, an "Environmental Defect Notice") setting forth any matters that constitute Environmental Defects. For all purposes of this Agreement and notwithstanding

anything herein to the contrary, the provisions of Section 12(d) and Section 14(h) shall be the exclusive right and remedy of Buyer with respect to any Environmental Defect or other environmental, health or safety matters and Buyer shall be deemed to have waived, and Seller shall have no liability for, any environmental, health or safety matters, including any Environmental Defect, that Buyer fails to assert as an Environmental Defect in a sufficient Environmental Defect Notice received by Seller on or before the Defect Claim Date. To be effective, each Environmental Defect Notice shall be in writing, and shall include (i) a description of the alleged Environmental Defect (including the applicable Environmental Law(s) violated thereby), (ii) identification of the Asset(s) affected by the alleged Environmental Defect (each such Asset, as applicable, an "Environmental Defect Property"), (iii) the Allocated Value of each Environmental Defect Property, (iv) supporting documents available to Buyer reasonably necessary for Seller to verify the existence of the alleged Environmental Defect, and (v) a calculation (with reasonable supporting detail) of the Remediation Amount that Buyer asserts is attributable to the alleged Environmental Defect. To give Seller an opportunity to commence reviewing and curing Environmental Defects, Buyer agrees to provide Seller weekly written notice of all Environmental Defects discovered by Buyer during the preceding period after the date the Agreement is signed and prior to delivery of such notice, which notice may be supplemented on or prior to the Defect Claim Date. Buyer's calculation of the Remediation Amount included in the Environmental Defect Notice must describe in reasonable detail the Remediation proposed for the Environmental Condition that gives rise to the asserted Environmental Defect and identify all assumptions used by Buyer in calculating the Remediation Amount, including the standards that Buyer asserts must be met to comply with Environmental Laws.

(c) *Seller's Right to Cure*. Notwithstanding anything to the contrary herein, Seller shall have the right, but not the obligation, to attempt, at its sole cost, to Remediate, at any time prior to the end of the Cure Period, any Environmental Defect of which it has timely received an Environmental Defect Notice from Buyer. In the event that an Environmental Defect Property is retained by Seller pursuant to Section 12(d)(iii) and Seller thereafter Remediates, during the Cure Period, the Environmental Defect for which such exclusion was made, then within five (5) business days after the expiration of the Cure Period, subject to any other provisions of this Agreement that would require the exclusion of such Asset, such Environmental Defect Property (or portion thereof) that was previously excluded shall again be subject to the terms of this Agreement and Buyer shall pay to Seller an amount equal to the Allocated Value of such Environmental Defect Property (subject to the adjustments set forth in Section 4), and, contemporaneously with Buyer's payment, Seller shall convey to Buyer such previously excluded Environmental Defect Property (or portion thereof) pursuant to an assignment instrument in form and substance of Exhibit E.

(d) *Remedies for Environmental Defects*. Subject to (w) Seller's continuing right to dispute the existence of an Environmental Defect and/or the Remediation Amount asserted with respect thereto, (x) the Individual Environmental Defect Threshold, (y) the Aggregate Deductible, and (z) Seller's ongoing right to Remediate any Environmental Defect under Section 12(c), if any Environmental Defect timely asserted by Buyer in accordance with Section 12(b) is Remediated, then in

connection with the Closing Seller shall, at its sole option and discretion, elect one or more of the following remedies for such Environmental Defect:

(i) Seller will convey the entirety of the Environmental Defect Property that is subject to such Environmental Defect, in which Seller has not elected to cure, to Buyer, together with all associated Assets, at Closing, and make an accompanying reduction to the Purchase Price by the Remediation Amount for such Environmental Defect agreed to by the Parties or otherwise determined pursuant to Appendix II;

(ii) Intentionally omitted;

(iii) If the Remediation Amount for such Environmental Defect equals or exceeds the Allocated Value of such Environmental Defect Property, retain the entirety of the Environmental Defect Property that is subject to such Environmental Defect, together with all associated Assets (in which case, such Assets shall become Excluded Assets hereunder), and reduce the Purchase Price by an amount equal to the Allocated Value of such Environmental Defect Property and such associated Assets; or

(iv) Seller will convey the entirety of the Environmental Defect Property that is subject to such Environmental Defect to Buyer, and indemnify Buyer for six (6) months after the Closing date against all liability, up to the lesser of the Allocated Value or the Remediation Amount of the affected Environmental Defect Property, resulting from such Environmental Defect pursuant to an indemnity agreement prepared by the Parties in a form and substance reasonably acceptable to the Parties *provided*, that Seller may not elect this remedy without Buyer's written consent, which may be withheld in Buyer's sole discretion.

If the option set forth in clause (i) above is selected, subject to Seller's right to Remediate any Environmental Defect under Section 12(c), (x) Buyer shall be deemed to have assumed responsibility for all costs and expenses attributable to the Remediation of the applicable Environmental Defect and all liabilities with respect thereto, and (y) Buyer's obligations with respect to the foregoing shall be deemed to constitute Assumed Obligations. If Seller elects to attempt to Remediate any Environmental Defect pursuant to Section 12(c), Seller shall use reasonable efforts to implement such Remediation in a manner which is consistent with the requirements of Environmental Laws for the type of Remediation that Seller elects to undertake and Buyer, effective as of the Closing, to the extent necessary, hereby grants to Seller and its representatives access to (x) the Assets to conduct such Remediation and (y) any utilities located on the Assets in order to undertake such Remediation.

(e) *EXCLUSIVE REMEDY*. THE PROVISIONS OF SECTION 12(D) AND SECTION 14(H) SHALL BE THE EXCLUSIVE RIGHT AND REMEDY OF BUYER WITH RESPECT TO ANY ENVIRONMENTAL DEFECT OR OTHER ENVIRONMENTAL, HEALTH OR SAFETY MATTERS. BUYER HEREBY EXPRESSLY WAIVES ANY AND ALL OTHER RIGHTS OR REMEDIES WITH RESPECT THERETO.

(f) *Environmental Threshold and Deductible*. Notwithstanding anything herein to the contrary, (i) in no event shall there be any adjustments to the Purchase Price or any other remedy provided by Seller hereunder for any individual Environmental Defect for which the Remediation Amount applicable thereto does not exceed [***] Dollars ($[***]) (the "Individual Environmental Defect Threshold") and (ii) in no event shall there be any adjustments to the Purchase Price or any other remedy provided by Seller hereunder for any Environmental Defect for which the Remediation Amount applicable thereto exceeds the Individual Environmental Defect Threshold unless and until (A) the sum of (1) the Remediation Amounts of all such Environmental Defects that exceed the Individual Environmental Defect Threshold, in the aggregate (excluding any Remediation Amounts attributable to (x) Environmental Defects Remediated by Seller, (y) Environmental Defect Properties that are retained by Seller pursuant to Section 12(d)(iii), and (z) Environmental Defects for which Seller will indemnify Buyer pursuant to Section 12(d)(iv)), *plus* (2) the Title Defect Amounts of all Title Defects that exceed the Individual Title Defect Threshold, in the aggregate (excluding any Title Defect Amounts attributable to (x) Title Defects cured by Seller, (y) Title Defect Properties retained by Seller pursuant to Section 11(d)(iii), and (z) Title Defects for which Seller will indemnify Buyer pursuant to Section 11(d)(iv)), exceeds (B) the Aggregate Deductible, in which case Buyer shall be entitled to remedies for such Environmental Defects only to the extent that the aggregate of such amounts are in excess of such Aggregate Deductible.

13. ***NORM, Wastes and Other Substances***. Buyer acknowledges that the Assets have been used for exploration, development and production of oil and gas and that there may be petroleum, produced water, wastes or other substances or materials located in, on or under the Assets or associated with the Assets. Equipment and sites included in the Assets may contain asbestos, naturally occurring radioactive material ("NORM") or other hazardous materials. NORM may affix or attach itself to the inside of wells, materials and equipment as scale, or in other forms. The Wells, materials and equipment located on the Lands or included in the Assets may contain NORM and other wastes or hazardous materials. NORM containing material and/or other wastes or hazardous materials may have come in contact with various environmental media, including water, soils or sediment. Special procedures may be required for the assessment, remediation, removal, transportation or disposal of environmental media, wastes, asbestos, NORM and other hazardous materials from the Assets. Notwithstanding anything herein to the contrary, Buyer shall not be permitted to claim any Environmental Defect on the account of the presence of NORM on the Assets or the properties underlying the Assets.

14. ***Seller's Representations and Warranties***. Seller represents and warrants, as of the date of this Agreement and as of the Closing date that:

(a) Seller is duly qualified to do business in each jurisdiction where the Assets are located. This Agreement (and transactions contemplated hereunder) has been duly and validly authorized by all necessary limited partnership action on the part of Seller and constitutes the legal, valid and binding obligation of Seller. This Agreement is enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally. Neither the execution and delivery of this Agreement by Seller nor the consummation or performance of the transaction contemplated hereby by Seller shall (i) contravene, conflict with or result in a violation of any

provision of the organizational or other governing documents of Seller, (ii) contravene, conflict with or result in a violation of any resolution adopted by the board of managers or members (or similar governing body) of Seller, (iii) contravene, conflict with or result in a violation of, or give any governmental authority or other person the right to challenge the transaction contemplated hereby, to terminate, accelerate or modify any terms of, or to exercise any remedy or obtain any relief under, any agreement or any legal requirement or order to which Seller may be subject or (iv) result in a material default or an event that, with notice or lapse of time or both, would be a material default, breach or violation under any material term or provision of any Contract.

(b) Seller has incurred no obligation, contingent or otherwise, for any brokers', finders', or consultants' fees for which Buyer will be liable.

(c) There are no bankruptcy, reorganization or receivership proceedings pending, being contemplated by or, to Sellers' knowledge, threatened against Seller or any affiliate of Seller, and Seller is not insolvent or generally not paying its debts when they become due.

(d) Except as set forth on Schedule 14(d), there are no preferential rights to purchase or consents to assignment in respect of the Assets that Seller will convey to the Buyer under this Agreement.

(e) Except as set forth on Exhibit C, there are no Contracts that have a material effect on the ownership of the Assets. Further, to Seller's knowledge, (i) all Contracts set forth on Exhibit C are in full force and effect, and (ii) no Party is in material default or breach of any such Contract.

(f) Except as set forth on Schedule 14(f), with respect to the Assets as of the Effective Time, there are no over-production or under-production or over-deliveries or under-deliveries with respect to hydrocarbons produced from or allocated to the Assets, regardless of whether such over-production or under-production or over-deliveries or under-deliveries arise at the wellhead, pipeline, gathering system, transportation system, processing plant, or other location, including any imbalances under gas balancing or similar agreements, imbalances under production handling agreements, imbalances under processing agreements, imbalances under the Leases, and imbalances under gathering or transportation agreements.

(g) Schedule 14(g) sets forth, as of the date of this Agreement, all approved authorizations for expenditures and other approved capital commitments, individually equal to or greater than One Hundred Thousand Dollars ($100,000) (net to Seller's interest) (the "AFEs") relating to the Assets, and which are binding on the owner of the Assets following the Effective Time, to drill or rework any Wells or for other capital expenditures for which all of the activities anticipated in such AFEs have not been completed by the Effective Time.

(h) Except as set forth on Schedule 14(h), (a) there are no actions, suits or proceedings pending, or to Seller's knowledge, threatened in writing, before any governmental body with respect to the Assets alleging material violations of, or material liabilities under, Environmental Laws, or claiming remediation obligations, (b)

Seller has received no notice from any governmental body or other person of any alleged or actual material violation or non-compliance with, or material liability under, any Environmental Law or of material non-compliance with the terms or conditions of any environmental permits, arising from, based upon, associated with or related to the Assets or the ownership thereof, and (c) to Seller's knowledge, there is no uncured material violation by Seller of any Environmental Laws with respect to Seller's ownership of the Assets.

(i) Except as set forth on Schedule 14(i), with respect to all Taxes related to the Assets: (a) all reports, returns, statements (including estimated reports, returns or statements), and other similar filings (the "Tax Returns") relating to the Assets required to be filed by Seller with respect to such Taxes have been timely filed with the appropriate governmental body in all jurisdictions in which such Tax Returns are required to be filed; (b) such Tax Returns are true and correct in all material respects, (c) all Taxes reported on such Tax Returns have been paid, except those being contested in good faith; (d) there are not currently in effect any extensions or waivers of any statute of limitations of any jurisdiction regarding the assessment or collection of any such Tax; (e) there are no administrative proceedings or lawsuits pending against the Assets or Seller by any taxing authority; and (f) there are no Tax liens on any of the Assets except for Permitted Encumbrances. None of the Assets is subject to any tax partnership agreement or otherwise treated, or required to be treated, as held in an arrangement requiring a partnership income Tax Return to be filed under Subchapter K of Chapter 1 of Subtitle A of the Internal Revenue Code of 1986, as amended (the "Code"). For purposes of this Agreement, "Taxes" means any federal, state, county, local, foreign and other taxes, fees, imposts, levies, or other similar governmental changes in the nature of a tax, including deficiencies, interest, additions to tax and penalties with respect thereto.

(j) Except as set forth on Schedule 14(j), there is no actual or, to Seller's knowledge, threatened taking (whether permanent, temporary, whole or partial) of any part of the Lands by reason of condemnation or the threat of condemnation.

(k) Except as set forth on Schedule 14(k), to Seller's knowledge, there are no pending or threatened suits, actions, arbitration proceedings or other litigation involving the Assets.

To the extent that Seller has made any representations or warranties under Section 14(e), Section 14(f), Section 14(g), Section 14(h), Section 14(i), and Section 14(j) in connection with matters relating to any Assets which are not operated by Seller or its affiliates, each and every such representation and warranty shall be deemed to be qualified by the phrase, "to Seller's knowledge." Seller's representations and warranties set forth in this Section 14 shall survive the Closing of the transaction contemplated hereby for a period of six (6) months from the Closing date and shall thereafter terminate and have no further force or effect except to the extent set forth in Section 8 (as to claims within six (6) months from the Closing date), and except for Section 14(a) which shall survive for the applicable statute of limitations and Section 14(b), which shall survive without time limit.

15. ***Buyer's Representations and Warranties***. Buyer represents and warrants that:

(a) Buyer is duly qualified to do business in each jurisdiction where the Assets are located. This Agreement (and transactions contemplated hereunder) has been duly and validly authorized by all necessary limited liability company action on the part of Buyer and constitutes the legal, valid and binding obligation of Buyer.

(b) Buyer has incurred no obligation, contingent or otherwise, for any brokers', finders' or consultants' fees for which Seller will be liable.

(c) There are no bankruptcy, reorganization or receivership proceedings pending, being contemplated by or, to Buyer's knowledge, threatened against Buyer or any affiliate of Buyer, and Buyer is not insolvent or generally not paying its debts when they become due.

(d) Neither the execution and delivery of this Agreement by Buyer nor the consummation or performance of the transaction contemplated hereby by Buyer shall (i) contravene, conflict with or result in a violation of any provision of the organizational or other governing documents of Buyer, (ii) contravene, conflict with or result in a violation of any resolution adopted by the board of managers or members (or similar governing body) of Buyer or (iii) contravene, conflict with or result in a violation of, or give any governmental authority or other person the right to challenge the transaction contemplated hereby, to terminate, accelerate or modify any terms of, or to exercise any remedy or obtain any relief under, any agreement or any legal requirement or order to which Buyer may be subject.

(e) There is no suit, action or litigation by any person by or before any governmental authority, and no arbitration proceedings, (in each case) pending, or to Buyer's knowledge, threatened, against Buyer, that would have the effect of preventing, delaying, making illegal or otherwise interfering with Buyer's ability to consummate the transactions contemplated by this Agreement or perform its obligations hereunder.

(f) Buyer has sufficient cash, available lines of credit or other sources of immediately available funds to enable it to (i) deliver the amounts due at the Closing, (ii) take such actions as may be required to consummate the transaction contemplated hereby and (iii) timely pay and perform Buyer's obligations under this Agreement. Buyer expressly acknowledges that the failure to have sufficient funds shall in no event be a condition to the performance of its obligations hereunder, and in no event shall the Buyer's failure to perform its obligations hereunder be excused by failure to receive funds from any source.

(g) Buyer is an accredited investor, as such term is defined in Regulation D of the Securities Act of 1933, as amended, and will acquire the Assets for its own account and not with a view to a sale or distribution thereof in violation of the Securities Act of 1933, as amended, and the rules and regulations thereunder, any applicable state blue sky laws or any other applicable securities laws.

(h) Buyer is sophisticated in the evaluation, purchase, ownership and operation of oil and gas properties and related facilities. In making its decision to enter into this Agreement and to consummate the transaction contemplated hereby and thereby,

except to the extent of Seller's express representations and warranties in Section 14 and the special warranty of Defensible Title as set forth in the Assignment with respect to the Assets, Buyer has relied or shall rely on its own independent investigation and evaluation of the Assets, which investigation and evaluation was done by Buyer and its own legal, Tax, economic, environmental, engineering, geological and geophysical advisors. In entering into this Agreement, Buyer acknowledges that it has relied solely upon the aforementioned investigation and evaluation and not on any factual representations or opinions of Seller or any representatives or consultants or advisors engaged by or otherwise purporting to represent Seller or any affiliate of Seller (except the specific representations and warranties of Seller set forth in Section 14 and the special warranty of Defensible Title in the Assignment with respect to the Assets). Buyer hereby acknowledges that, other than the representations and warranties made in Section 14 and the special warranty of Defensible Title in the Assignment with respect to the Assets, neither Seller nor any representatives, consultants or advisors of Seller or its affiliates make or have made any representation or warranty, express or implied, at law or in equity, with respect to the Assets.

Buyer's warranties and representations set forth in this Section 15 shall survive without time limit.

16. ***Seller's Conditions to Close***. The obligations of Seller to consummate the transactions provided for herein is subject, at the option of Seller, to the fulfillment by Buyer or waiver by Seller, on or prior to the Closing of each of the following conditions precedent:

(a) The representations and warranties of Buyer set forth in Section 15 shall be true and correct in all material respects as of the Closing (except with respect to the representations and warranties set forth in Section 15(a), 15(b) and 15(c) which shall be true in all respects) as though made on and as of the Closing.

(b) Buyer shall have materially performed or complied with all obligations, agreements, and covenants contained in this Agreement as to which performance or compliance by Buyer is required prior to or at the Closing.

(c) No material suit, action, or other proceeding instituted by any person (other than Seller or any affiliate of Seller) shall be pending before any governmental authority seeking to restrain, prohibit, or declare illegal, or seeking substantial damages in connection with, the transactions contemplated by this Agreement. No order, award or judgment shall have been issued by any governmental authority or arbitrator to restrain, prohibit, enjoin or declare illegal, or awarding substantial damages in connection with, the transactions contemplated by this Agreement, and no law, statute, rule, regulation or other requirement has been promulgated or enacted and is in effect, that on a temporary or permanent basis restrains, enjoins or invalidates the transactions contemplated by this Agreement.

(d) An authorized officer of Buyer shall have executed and delivered (or be ready, willing and able to deliver at Closing) a certificate dated as of the Closing date certifying on behalf of Buyer that the conditions set forth in Section 16(a) and 16(b) have been fulfilled by Buyer.

(e) Buyer shall have executed and delivered (or be ready, willing and able to deliver at Closing) to Seller the documents and other items, including the adjusted Purchase Price, required to be delivered by Buyer under Section 18.

If the sum of all (i) Title Defect Amounts, (ii) Remediation Amounts, (iii) downward Purchase Price adjustments under Section 21(p) and (iv) downward Purchase Price adjustments under Section 21(q) exceeds [***] percent ([***]%) of the unadjusted Purchase Price, Buyer may, at its sole discretion, terminate this Agreement.

17. ***Buyer's Conditions to Close***. The obligations of Buyer to consummate the transactions provided for herein is subject, at the option of Buyer, to the fulfillment by Seller or waiver by Buyer, on or prior to the Closing of each of the following conditions:

(a) The representations and warranties of Seller set forth in Section 14 shall be true and correct in all material respects as of the Closing as though made on and as of the Closing, except for those breaches, if any, of such representations and warranties that in the aggregate would not have a material adverse effect.

(b) Seller shall have materially performed or complied with all obligations, agreements, and covenants contained in this Agreement as to which performance or compliance by Seller is required prior to or at the Closing.

(c) No material suit, action, or other proceeding instituted by any person (other than Buyer or any affiliate of Buyer) shall be pending before any governmental authority seeking to restrain, prohibit, enjoin, or declare illegal, or seeking substantial damages in connection with, the transactions contemplated by this Agreement. No order, award or judgment shall have been issued by any governmental authority or arbitrator to restrain, prohibit, enjoin or declare illegal, or awarding substantial damages in connection with, the transactions contemplated by this Agreement, and no law has been promulgated or enacted and is in effect, that on a temporary or permanent basis restrains, enjoins or invalidates the transactions contemplated by this Agreement.

(d) An authorized officer of Seller shall have executed and delivered (or be ready, willing and able to deliver at Closing) a certificate dated as of the Closing date certifying on behalf of the Seller that the conditions set forth in Section 17(a) and 17(b) have been fulfilled by Seller.

(e) Seller shall have executed and delivered (or be ready, willing and able to deliver at Closing) to Buyer the documents and other items required to be delivered by Seller under Section 18.

If the sum of all (i) Title Defect Amounts, (ii) Remediation Amounts, (iii) downward Purchase Price adjustments under Section 21(p) and (iv) downward Purchase Price adjustments under Section 21(q) exceeds [***] percent ([***]%) of the unadjusted Purchase Price, Seller may, at its sole discretion, terminate this Agreement.

18. ***Closing***. Closing shall occur on August 29, 2019 (the "Closing"), or on such other date as Seller and Buyer may agree upon in writing. For purposes of this Agreement, the term "business day" shall mean any day other than a Saturday, Sunday or legal holiday on which banks located in Houston, Texas are open for business. At Closing, (a) Buyer shall pay to

Seller the Purchase Price (as adjusted, if applicable, under Section 4 and reduced by the amount of the Deposit, including all interest earned thereon) via wire transfer of immediately available funds, (b) the Parties shall instruct the Escrow Agent to pay to Seller the amount (if any) by which the Deposit (and any interest earned thereon) exceeds the Defects Escrow Amount, (c) Seller will execute and deliver an assignment, conveyance and bill of sale covering the Assets in the form attached hereto as Exhibit E (the "Assignment"), together with any other instrument or document (*e.g.*, Bureau of Indian Affairs or Bureau of Land Management assignment forms), (d) the Parties shall take such further actions as may be reasonably necessary to evidence and effectuate the transaction contemplated by this Agreement, (e) Seller shall prepare, with Buyer's reasonable assistance and cooperation, for delivery to any operator of the Assets, letters in lieu of division orders, (f) Buyer shall obtain replacements for the bonds, letters of credit and guarantees necessary to terminate the obligations of Seller or its affiliates with respect to the Assets and Buyer shall provide evidence of the posting of such bonds or other securities with all applicable governmental authorities meeting the requirements of such authorities, (g) Seller will execute and deliver a recordable release in a form reasonably acceptable to Buyer of any trust, mortgages, financing statements, fixture filings and security agreements, in each case, securing indebtedness for borrowed money made by Seller or its affiliates affecting the Assets, and (h) Seller shall deliver an executed statement described in Treasury Regulation §1.1445-2(b)(2) certifying that Seller (or its regarded owner, if Seller is an entity disregarded as separate from its owner) is not a foreign person within the meaning of the Code, as amended, and Treasury Regulations promulgated thereunder. The Closing shall be held at the offices of Seller, or at such other location or through such other methods as may be mutually agreed upon by Seller and Buyer.

19. ***Taxes***.

(a) All required documentary, filing and recording fees and expenses in connection with the filing and recording of the assignments (including the Assignment), conveyances or other instruments required to convey title to the Assets to Buyer shall be borne by Buyer. Buyer shall be responsible for, and shall bear and pay, all sales, use, transfer, stamp, registration and similar Taxes (including any applicable interest or penalties) incurred or imposed with respect to the transactions described in this Agreement (the "Transfer Taxes"). Seller shall bear and pay, all ad valorem, property, excise, severance, production, sales, use and similar Taxes (including any interest, fine, penalty or additions to Tax imposed by a government authority in connection with such Taxes) based upon ownership of the Assets or production of hydrocarbons or the receipt of proceeds therefrom (for the avoidance of doubt, excluding any Transfer Taxes) (collectively, the "Asset Taxes") assessed with respect to the ownership of the Assets for (i) any period ending prior to the Effective Time, and (ii) with respect to any Tax period beginning before and ending after the Effective Time (a "Straddle Period"), the portion of such Straddle Period ending immediately prior to the date on which the Effective Time occurs. All Asset Taxes arising on or after the Effective Time (including all Asset Taxes for the portion of any Straddle Period beginning on the date on which the Effective Time occurs) shall be allocated to and borne by Buyer. To the extent the actual amount of any Asset Taxes described in this Section 19 is not known at the time an adjustment is to be made with respect to such Asset Tax pursuant to Section 4, as applicable, Buyer and Seller shall utilize the most recent information available in estimating the amount of such Asset Taxes for purposes of such adjustment. Upon determination of the actual amount of Asset Taxes,

payments will be made to the extent necessary to cause the appropriate Party to bear the Asset Taxes allocable to such Party under this Section 19 (without duplication of any amounts that were reflected as an adjustment to the Purchase Price). For purposes of allocation between the Parties of Asset Taxes: (A) Asset Taxes that are attributable to the severance or production of hydrocarbons or otherwise imposed on a transactional basis (other than Asset Taxes described in clause (B) below) shall be allocated to the period in which the severance, production or other transaction giving rise to such Asset Taxes occurred; and (B) Asset Taxes that are ad valorem, property or other Asset Taxes imposed on a periodic basis with respect to a Straddle Period shall be allocated pro rata per day between the portion of such Straddle Period ending immediately prior to the date on which the Effective Time occurs (which shall be Seller's responsibility) and the portion of such Straddle Period beginning on the date on which the Effective Time occurs (which shall be Buyer's responsibility). For purposes of clause (A) of the preceding sentence, any exemption, deduction, credit or other item that is calculated on an annual basis shall be allocated pro rata per day between the period ending immediately prior to the date on which the Effective Time occurs and the period beginning on the date on which the Effective Time occurs.

(b) Other than with respect to Tax periods ending prior to the Effective Time (which shall be prepared by Seller), Buyer shall be responsible for filing with the appropriate governmental authorities all Tax Returns, in each case, for Asset Taxes that are required to be filed after the Closing and paying the Asset Taxes reflected on such Tax Returns, subject to Buyer's right of reimbursement for any Asset Taxes for which Seller is responsible under Section 19(a), except to the extent such Asset Taxes were reflected as an adjustment to the Purchase Price. Buyer shall prepare all such Tax Returns relating to any Straddle Period on a basis consistent with past practice except to the extent otherwise required by applicable law. Buyer shall provide Seller with a copy of any such Tax Return for Seller's review at least ten (10) days prior to the due date for the filing of such Tax Return (or within a commercially reasonable period after the end of the relevant taxable period, if such Tax Return is required to be filed less than ten (10) days after the close of such taxable period), and Buyer shall incorporate all reasonable comments of Seller provided to Buyer in advance of the due date for the filing of such Tax Return. Buyer shall indemnify and hold Seller harmless for any failure to file such Tax Returns and to make such payments.

(c) Each Party shall cooperate fully, as and to the extent reasonably requested by any other Party, in connection with the filing of any Tax Returns, state and federal regulatory reports, royalty payments including related deduction and any audit, litigation or other proceeding with respect to Taxes.

(d) Seller shall be entitled to any and all refunds of Asset Taxes allocated to Seller pursuant to Section 19(a), and Buyer shall be entitled to any and all refunds of Asset Taxes allocated to Buyer pursuant to Section 19(a). If a Party receives a refund of Asset Taxes to which the other Party is entitled pursuant to this Section 19(d), the first Party shall promptly pay such amount to the other Party, net of any reasonable costs or expenses incurred by the first Party in procuring such refund.

(e) Seller shall deliver to Buyer a schedule with an allocation of the Purchase Price (and any liabilities assumed by Buyer under this Agreement or other amounts that

are treated as consideration for United States federal income Tax purposes) among the Assets in accordance with Section 1060 of the Code (the "Tax Allocation") within ninety (90) days after the Closing date. Seller and Buyer each agree to prepare, and to cause their respective affiliates to prepare all Tax Returns, including Form 8594 (Asset Acquisition Statement under Section 1060 of the Code), in a manner consistent with the Tax Allocation, as revised to take into account subsequent revisions by Seller as a result of adjustments to the Purchase Price, and the Parties shall not take any position inconsistent therewith on any Tax Return or in connection with any Tax audit, claim or similar proceeding unless required to do so by any applicable law after notice to and discussions with the other Party, or with such other Party's prior consent; *provided, however*, that neither Party shall be unreasonably impeded in its ability and discretion to negotiate, compromise and/or settle any Tax audit, claim or similar proceedings in connection with such Tax Allocation.

20. ***Termination***.

(a) Subject to Section 20(b), this Agreement may be terminated at any time prior to the consummation of the Closing upon the occurrence of any one or more of the following:

(i) by mutual written agreement of Seller and Buyer;

(ii) by Seller or Buyer if the other Party has materially breached this Agreement and such breach causes any of the conditions to close of the non-breaching Party set forth in Sections 16 and 17, respectively, not to be satisfied as of Closing; *provided, however*, that in the case of a breach that is capable of being cured, the breaching Party shall have until the earlier of (A) ten (10) days following notice of breach to attempt to cure the breach and (B) one (1) business day prior to the Outside Date;

(iii) by Seller or Buyer, pursuant to the last paragraph of Section 16 or 17, respectively or Section 21(l); or

(iv) by Seller or Buyer if the closing shall not have occurred on or before September 12, 2019 (the "Outside Date");

provided, however, that neither Party shall have the right to terminate this Agreement pursuant to clause (ii) or (iv) if such Party is at such time in material breach of any provision of this Agreement.

(b) Remedies.

(i) If Seller has the right to terminate this Agreement pursuant to (A) Section 20(a)(ii) or (B) Section 20(a)(iv) in a situation where the conditions to closing set forth in Section 17 have been satisfied or waived in writing by Buyer (excluding conditions that by their terms, cannot be satisfied until the Closing), and Seller has performed or is ready, willing and able to perform all of its agreements and covenants contained herein which are to be performed or observed at or prior to the Closing, then Seller shall, as its sole and exclusive remedy, be entitled to (x) terminate this Agreement

and cause the Parties to promptly instruct the Escrow Agent to pay the Deposit (plus any interest earned thereon) to Seller as liquidated damages, or (y) in lieu of terminating this Agreement, seek specific performance. THE PARTIES RECOGNIZE THAT ACTUAL DAMAGES FOR BUYER'S BREACH WOULD BE DIFFICULT TO ASCERTAIN WITH REASONABLE CERTAINTY AND THAT THE DEPOSIT WOULD BE REASONABLE LIQUIDATED DAMAGES FOR SUCH BREACH.

(ii) If Buyer has the right to terminate this Agreement pursuant to (A) Section 20(a)(ii) or (B) Section 20(a)(iv) in a situation where the conditions to Closing set forth in Section 16 have been satisfied or waived in writing by Seller (excluding conditions that by their terms, cannot be satisfied until the Closing), and Buyer has performed or is ready, willing and able to perform all of its agreements and covenants contained herein which are to be performed or observed at or prior to the Closing, then Buyer shall, as its sole and exclusive remedy, be entitled to (x) terminate this Agreement and cause the Parties to promptly instruct the Escrow Agent to pay the Deposit (plus any interest earned thereon) to Buyer, or (y) in lieu of terminating this Agreement, seek specific performance, it being specifically agreed that monetary damages will not be sufficient to compensate the Buyer.

(iii) If this Agreement terminates for reasons other than those set forth in Section 20(b)(i) or Section 20(b)(ii), then (A) the Parties shall have no liability or obligation hereunder as a result of such termination, (B) the Parties shall promptly instruct the Escrow Agent to pay the Deposit (plus any interest earned thereon) to Buyer, and (C) Seller shall be free immediately to enjoy all rights of ownership of the Assets and to sell, transfer, encumber or otherwise dispose of the Assets to any person without any restriction under this Agreement. If Buyer first seeks specific performance under clause (ii), as applicable, but is unable to recover therefor from a court of competent jurisdiction, Buyer may thereafter elect to terminate this Agreement and cause the Parties to promptly instruct the Escrow Agent to pay the Deposit (plus any interest earned thereon) to Buyer. The following provisions shall survive termination: Sections 9, 20(b), 21(d), 21(h) and 21(j).

21. ***Miscellaneous***. The Parties further agree as follows:

(a) *Assignment*. Neither Party shall assign its rights or obligations under this Agreement without the prior written consent of the other Party, which consent may be withheld for any reason in the sole discretion of the non-assigning Party.

(b) *Governing Law; Venue; Jury Waiver*. This Agreement shall be governed and construed in accordance with the laws of the State of Texas, excluding any conflicts of law principles; *provided*, *however*, that any matters related to real property shall be governed by the laws of the state in which the applicable real property is located. Each of the Parties consent to the exercise of jurisdiction in personam by the United States Federal District Courts or State Courts located in Houston, Harris County, Texas. EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE

TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE ASSIGNMENT OR ANY TRANSACTION CONTEMPLATED HEREBY OR THEREBY.

(c) *Amendment.* This Agreement may be amended only by written instrument executed by both Parties.

(d) *Confidentiality.* The Parties shall keep this Agreement and their negotiations with respect to the Assets strictly confidential and, without the prior written consent of the other Party, shall not disclose the same to any third person or Party other than to their respective affiliates and such Party's and its affiliates' respective officers, directors, managers, members, employees, agents, advisors, attorneys, consultants and representatives. The Parties shall be entitled to disclose the terms of this Agreement with marketing companies with which the Parties have prior dedications covering the Lands and any holders of preferential rights to purchase or consents to assign rights that are triggered by this transaction.

(e) *Counterparts; Treatment as Original.* This Agreement may be executed in one (1) or more counterparts, each of which will be deemed an original and all of which together shall constitute the same agreement, and any signature hereto delivered by a Party by facsimile or other electronic transmission (*e.g.*, email) shall be deemed an original signature hereto for all purposes.

(f) *Knowledge*. Intentionally Omitted.

(g) *Press Release*. If any Party wishes to make a press release or other public announcement respecting this Agreement or the transactions hereby, such Party will provide the other Party with a draft of the press release or other public announcement for review at least one (1) business day prior to the time that such press release or other public announcement is to be made. The Parties will attempt in good faith to expeditiously reach agreement on such press release or other public announcement and the contents thereof. Failure to agree or to provide comments back to the other Party within one (1) business day of receipt of the draft release or announcement will be deemed consent to the public disclosure of such press release or other public announcement and the content thereof, so long as the reviewing Party's name is not included in the release or announcement. Seller and Buyer shall each be liable for the compliance of their respective affiliates with the terms of this Section 21(g). No Party shall issue a press release or other public announcement that includes the name of a non-releasing Party or its affiliates without the prior written consent of such non-releasing Party (which consent may be withheld in such non-releasing Party's sole discretion). Notwithstanding anything in this Section 21(g) to the contrary, nothing in this Section 21(g) shall prohibit any Party from issuing or making a public announcement or statement if such Party deems it necessary to do so in order to comply with any applicable law, or the rules of any stock exchange upon which such Party's or such Party's affiliate's capital stock is traded; *provided*, *however*, to the extent reasonably practicable, prior written notification shall be given to the other Party prior to any such announcement or statement.

(h) *Notices*. All communications required or permitted under this Agreement shall be in writing and any communication or delivery hereunder shall be deemed to have been fully made if actually delivered, if mailed by registered or certified mail, postage prepaid, delivered by recognized overnight courier service, to the address as set forth below:

SELLER

EV Properties, L.P.
1001 Fannin Street, Suite 750
Houston, Texas 77002
Attention: Michael E. Mercer
Email: mmercer@hvstog.com

with a copy to (which shall not constitute notice):

Kirkland & Ellis LLP
609 Main Street, Suite 4500
Houston, Texas 77002
Attention: Rahul Vashi
E-mail: rahul.vashi@kirkland.com

BUYER

Bedrock Production, LLC
909 Fannin St., Suite 2150
Houston, Texas 77010
Attention: Will Todd
Email: will@bedrockep.com

(i) *Disclosures with Multiple Applicability; Materiality*. If any fact, condition, or matter disclosed by Seller on an Exhibit and/or Schedule applies to more than one (1) provision of this Agreement, a single disclosure of such fact, condition or matter on Seller's Exhibits and/or Schedules shall constitute disclosure with respect to all provisions of this Agreement to which such fact, condition, or other matter applies, regardless of the provision of Seller's Exhibits and/or Schedules in which such fact, condition or other matter is described to the extent that the applicability of such matter so referenced is reasonably apparent on the face of such included matter.

(j) *Limitation on Damages*. NOTWITHSTANDING ANYTHING CONTAINED IN THIS AGREEMENT TO THE CONTRARY, EXCEPT IN CONNECTION WITH ANY DAMAGES INCURRED BY THIRD PARTIES FOR WHICH INDEMNIFICATION IS SOUGHT UNDER THE TERMS OF THIS AGREEMENT, NO MEMBER OF BUYER GROUP OR SELLER GROUP SHALL BE ENTITLED TO (AND EACH SUCH MEMBER WAIVES) CONSEQUENTIAL, SPECIAL, INDIRECT, PUNITIVE OR EXEMPLARY DAMAGES, OR DAMAGES FOR LOST PROFITS OF ANY KIND, IN CONNECTION WITH EITHER THIS AGREEMENT, THE ASSIGNMENT

DELIVERED AT CLOSING OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

(k) *Time*. Time is of the essence in this Agreement. Without limiting the generality of the foregoing, this Agreement contains a number of dates and times by which performance or the exercise of rights is due, and the Parties intend that each and every such date and time be the firm and final date and time, as agreed herein.

(l) *Casualty Loss*. Notwithstanding anything herein to the contrary, from and after the execution of this Agreement, if Closing occurs, Buyer shall assume all risk of loss with respect to the depreciation of Assets due to ordinary wear and tear. If, after the execution of the Agreement but prior to or on the Closing date, any portion of the Assets are destroyed by fire, explosion, hurricane, storm, weather events, earthquake, act of nature, civil unrest, or similar disorder, terrorist acts, war or any other hostilities or other casualty or is expropriated or taken in condemnation or under right of eminent domain by any governmental entity, whether or not fixed or repaired or in any way remediated (each a "Casualty Loss"), Buyer and Seller shall nevertheless be required to proceed with Closing. Notwithstanding such Casualty Loss, in the event of any such Casualty Loss, at the Closing, Seller shall pay to Buyer all sums paid to Seller by third parties by reason of the destruction or taking of such Assets, including any sums paid pursuant to any policy or agreement of insurance or indemnity, and shall assign, transfer and set over unto Buyer all of the rights, titles and interests of Seller in and to any claims, causes of action, unpaid proceeds or other payments from third parties, including any policy or agreement of insurance or indemnity, arising out of such destruction or taking. Notwithstanding anything to the contrary contained in this paragraph, if prior to the Closing, Assets having an aggregate Allocated Value constituting more than [***] percent ([***]%) of the Purchase Price are damaged or destroyed by fire or other casualty, or taken in condemnation or under the right of eminent domain, or proceedings for such purpose are pending or threatened, Buyer shall have the right to terminate this Agreement.

(m) *References and Rules of Construction*. All references in this Agreement to Exhibits, Schedules, Articles, Sections, subsections and other subdivisions refer to the corresponding Exhibits, Schedules, Articles, Sections, subsections and other subdivisions of or to this Agreement unless expressly provided otherwise. Titles appearing at the beginning of any Articles, Sections, subsections and other subdivisions of this Agreement are for convenience only, do not constitute any part of this Agreement, and shall be disregarded in construing the language hereof. The words "this Agreement," "herein," "hereby" and "hereunder," and words of similar import, refer to this Agreement as a whole and not to any particular Article, Section, subsection or other subdivision unless expressly so limited. The words "this Article," "this Section" and "this subsection," and words of similar import, refer only to the Article, Section or subsection hereof in which such words occur. Wherever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limiting the foregoing in any respect." All references to "$" or "Dollars" shall be deemed references to United States Dollars. Pronouns in masculine, feminine or neuter genders shall be construed to state and include any other gender, and words, terms and titles (including terms defined herein) in the singular form shall be construed to include the plural and vice versa, unless the context otherwise requires. The

words "shall" and "will" are used interchangeably throughout this Agreement and shall accordingly be given the same meaning, regardless of which word is used.

(n) *No Recourse.* This Agreement may only be enforced against, and any claims or causes of action that may be based upon, arise out of or relate to this Agreement, may only be made against the entities that are expressly identified as Parties hereto in their capacities as such and no other party shall have any liability for any obligations or liabilities of the Parties to this Agreement or for any claim (whether in tort, contract or otherwise) based on, in respect of, or by reason of, the transactions contemplated hereby or in respect of any representations made or alleged to be made in connection herewith. Without limiting the rights of any Party against the other Parties hereto, in no event shall any Party or any of its affiliates seek to enforce this Agreement against, make any claims for breach of this Agreement against, or seek to recover monetary damages from, any non-Party to this Agreement.

(o) *Operation of Business.* Until Closing, Seller (a) will operate its business in the ordinary course consistent with past practices as a reasonably prudent operator, and (b) will not, without the prior written consent of Buyer, which consent shall not be unreasonably withheld, conditioned or delayed:

(i) expend any funds, or make any commitments to expend funds (including entering into new agreements which would obligate Seller or Buyer to expend funds), or otherwise incur any other obligations or liabilities, in connection with the ownership of the Assets after the Effective Time, other than routine expenses incurred in the normal operation of the existing wells on the Lands, except in the event of an emergency requiring immediate action to protect life or preserve the Assets;

(ii) except where necessary to prevent termination of an oil and gas lease or other material agreement covering Seller's interest in the Assets:

(1) propose to or agree to the drilling of additional wells, or propose the deepening, of any existing wells;

(2) propose or agree to the conducting of any other operations which require consent under the applicable operating agreement;

(3) propose or agree to the conducting of any other operations other than the normal operation of the existing wells on the Lands; or

(4) propose to or agree to the abandonment of any wells on the Lands;

Seller agrees that it will advise Buyer of any such proposals made by third parties and will not agree to any such proposal made by a third party unless the prior written consent of Buyer is obtained (which consent shall not be unreasonably withheld, delayed or conditioned);

(iii) commit to any operation, or series of related operations, reasonably anticipated by Seller to require future capital expenditures by the owner of the Assets in excess of Two Hundred Fifty Thousand Dollars

($250,000.00), net to Seller's working interest, or make any capital expenditures in excess of Two Hundred Fifty Thousand Dollars ($250,000.00), net to Seller's working interest, or voluntarily terminate, materially amend or extend any material Contract;

(iv) fail to maintain insurance coverage on the Assets presently furnished by nonaffiliated third parties in the amounts and of the types presently in force;

(v) fail to use commercially reasonable efforts to maintain in full force and effect all Leases;

(vi) fail to maintain all material governmental authorizations;

(vii) transfer, farmout, sell, hypothecate, encumber or otherwise dispose of any material Assets or material rights related thereto, except for sales and dispositions of hydrocarbon production and obsolete or worn out equipment made in the ordinary course of business consistent with past practices;

(viii) commit to do any of the foregoing;

(ix) without Buyer's written consent, make any non-consent elections with respect to operations affecting any of the Assets; and

(x) fail to promptly give Buyer notice of any written notice claiming any default or violation received or given by Seller under any Lease, contract or law affecting any Asset that would reasonably be expected to be material to the Assets, taken as a whole.

Buyer's approval of any action restricted by this Section 21(o) shall be considered granted within ten (10) days (unless a shorter time is reasonably required by the circumstances and such shorter time is specified in Seller's written notice) of Seller's notice to Buyer requesting such consent unless Buyer notifies Seller to the contrary in writing during that period. In the event of an emergency, Seller may take such action as a prudent non-operator would take and shall notify Buyer of such action promptly thereafter. Buyer acknowledges that Seller may own an undivided interest in certain Assets and Buyer agrees that the acts or omissions of the other working interest owners who are not affiliated with Seller shall not constitute a violation of the provisions of this Section 21(o) nor shall any action required by a vote of working interest owners constitute such a violation so long as Seller has voted its interest in a manner consistent with the provisions of this Section 21(o).

(p) *Preferential Purchase Rights*. Seller shall, prior to the Closing date, provide all notices necessary to comply with or obtain the waiver of all preferential rights to purchase which are triggered by this transaction prior to the Closing date and in compliance with the contractual provisions applicable thereto. To the extent any such preferential rights to purchase are exercised by any holders thereof, then the Asset(s) subject to such preferential rights to purchase shall not be sold to Buyer and shall be excluded from the Assets and sale under this Agreement and shall be

considered Excluded Assets. The Purchase Price shall be adjusted downward by the Allocated Value of the Asset(s) so retained. On the Closing date, if the time period for exercising any preferential rights to purchase has not expired, but no notice of waiver (nor of the exercise of such preferential rights to purchase) has been received from the holder thereof, then the Asset(s) subject to such preferential rights to purchase shall be included in the Assets sold to Buyer at the Closing, with no adjustment to the Purchase Price. After the Closing, if the holder of such preferential rights to purchase exercises the preferential rights to purchase, then Buyer shall convey the affected Asset(s) to such party, and shall receive the consideration for such affected Asset(s) directly from such party. If any holder of a preferential right to purchase initially elects to exercise that preferential right to purchase, but after the Closing date, refuses to consummate the purchase of the affected Asset(s), then, subject to the Parties' respective rights and remedies as to the obligation to consummate the transactions contemplated by this Agreement, Buyer shall purchase such Asset(s) for the Allocated Value thereof (subject to the adjustments pursuant to Section 4), and the closing of such transaction shall take place on a date reasonably designated by Seller not more than one hundred eighty (180) days after the Closing date. If such holder's refusal to consummate the purchase of the affected Asset(s) occurs prior to the Closing date, then, subject to the Parties' respective rights and remedies as to the obligation to consummate the transactions contemplated hereby, Buyer shall purchase the affected Asset(s) at the Closing in accordance with the terms of this Agreement.

(q) *Consents*. Seller shall, prior to the Closing date, provide all notices required to comply with or obtain all consents in compliance with the contractual provisions applicable thereto required for the transfer of the Assets.

(i) If Seller fails to obtain any consent necessary for the transfer of any Asset to Buyer, Seller's failure shall be handled as follows:

(1) If the consent is not a consent with respect to which (a) there is a provision within the applicable instrument that such consent may be withheld in the sole and absolute discretion of the holder, or (b) there is provision within the applicable instrument expressly stating that an assignment in violation thereof (i) is void or voidable, (ii) triggers the payment of specified liquidated damages, or (iii) causes termination of the applicable Assets to be assigned (any consent in the foregoing clauses (a) or (b), a "Required Consent"); *provided* that, for the avoidance of doubt, "Required Consent" does not include any consent, which, by its terms, cannot be unreasonably withheld, (unless clause (b) of the preceding sentence applies), and has not been denied in writing, then the affected Assets shall nevertheless be conveyed at the Closing as part of the Assets. Any Damages that arise due to the failure to obtain such consent shall be borne by Buyer.

(2) If the consent is a Required Consent or a consent that has been denied in writing, the Purchase Price shall be adjusted downward by the Allocated Value of the affected Assets (which affected Assets shall include all Leases and Wells affected by the Contract or Lease for which a consent is refused or unobtained), and the affected Assets shall be treated as Excluded Assets.

(ii) Notwithstanding the provisions of Section 21(q)(i), if Seller obtains a consent described in Section 21(q)(i) within one hundred eighty (180) days

after the Closing, then Seller shall promptly deliver conveyances of the affected Asset(s) to Buyer and Buyer shall pay to Seller an amount equal to the Allocated Value of the affected Asset(s) in accordance with wire transfer instructions provided by Seller (subject to the adjustments set forth in Section 4).

(r) *Tag-Along Rights*. Buyer acknowledges and agrees that certain of the Assets may be subject to certain tag-along rights in favor of EnerVest Energy Institutional Co-Investment XII-1A, L.P., a Delaware limited partnership ("EnerVest Fund 1A") and EnerVest Energy Institutional Fund XII-WIB, L.P., a Delaware limited partnership ("EnerVest Fund B", and together with EnerVest Fund 1A, each an "EnerVest Entity" and collectively, "EnerVest"), which apply to the transactions contemplated hereunder as provided in that certain letter agreement by and among Seller and EnerVest, dated April 9, 2019 (the "EnerVest Letter Agreement"). Therefore, within five (5) business days after the date this Agreement is signed, Seller shall notify EnerVest in writing of the transactions contemplated by this Agreement in a "Tag-Along Notice" in compliance with the EnerVest Letter Agreement, and each EnerVest Entity shall have ten (10) business days after its receipt of such notice to elect whether to exercise such tag-along right to sell its interest in the properties conveyed pursuant to this Agreement (the "Tag-Along Right Properties"). In accordance with the EnerVest Letter Agreement, the Tag-Along Notice shall state that the amount and type of consideration that would be allocated to purchase the Tag-Along Right Properties, as provided below.

In the event one or both EnerVest Entities elects to exercise its tag-along right to sell its interest in the Tag-Along Right Properties, each such EnerVest Entity will enter into a separate agreement with Buyer in substantially the same form of this Agreement and will sell all, but not less than all, of its interest in the Tag-Along Right Properties to Buyer on substantially the same terms and conditions as set forth in this Agreement, subject to the adjustments described below.

In the event any EnerVest Entity does not timely elect to exercise such tag-along right to sell and does not timely enter into a separate agreement with Buyer in substantially the same form of this Agreement, the tag-along right in favor of such EnerVest Entity shall no longer apply to the transactions contemplated hereunder.

The amount and type of consideration that would be allocated to purchase the interest of each EnerVest Entity shall be determined by (i) adjusting the Allocated Values in such separate agreements so as to be proportionately reduced based on the NRI and working interests (taking into account all associated burdens) represented by such EnerVest Entity in the Tag-Along Right Properties, relative to the relevant NRI and working interests (taking into account all associated burdens) represented by Seller (taking into account the Allocated Values under this Agreement) and (ii) calculating the total Purchase Price in such separate agreements as the sum of such adjusted Allocated Values. The Deposit, the Individual Title Defect Threshold, and the Individual Environmental Defect Threshold shall also be proportionately reduced on the same basis in such separate agreement(s).

(s) *Future Cooperation*. Buyer and Seller shall execute and deliver, or shall cause to be executed and delivered from time to time, such further instruments of

conveyance and transfer, and shall take such other actions as any Party may reasonably request, to consummate the transactions contemplated by this Agreement.

* * * * *

[Signature pages follow]

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of July 29, 2019.

SELLER

EV PROPERTIES, L.P.

By: EV Properties GP, LLC, its general partner

By: /s/ MICHAEL E. MERCER
Name: Michael E. Mercer
Title: President and Chief Executive Officer

BUYER

BEDROCK PRODUCTION, LLC

By: /s/ WILL TODD
Name: Will Todd
Title: Executive Vice President - Business Development and Finance

APPENDIX I

1. ***Defensible Title***. "Defensible Title" shall mean title of Seller as of the Effective Time that, subject to Permitted Encumbrances:

(a) with respect to the currently producing formation of each Well shown in Exhibit B, entitles Seller to receive not less than the NRI shown in Exhibit B, for such Well, except for (1) decreases in connection with those operations in which Seller may from and after the execution of the Agreement elect to be a non-consenting co-owner (2) decreases resulting from the establishment or amendment of pools or units, (3) decreases required to allow other working interest owners to make up past underproduction or pipelines to make up past under-deliveries, (4) decreases resulting from actions by Buyer, (5) decreases resulting from any reversion of interest to a co-owner with respect to operations in which such co-owner, after the Effective Time, elects not to consent, or prior to the Effective Time, elected not to consent, and (6) as otherwise stated in Exhibit B;

(b) with respect to the currently producing formation of each Well shown in Exhibit B, obligates Seller to bear a percentage of the costs and expenses for the development and maintenance of, and operations relating to, such Well of not more than the working interest shown in Exhibit B for such Well except (1) increases resulting from contribution requirements with respect to defaulting co-owners from and after the Effective Time under applicable operating agreements, (2) increases to the extent that such increases are accompanied by a proportionate (or greater than proportionate) increase in Seller's NRI with respect to such Well, (3) increases resulting from actions by Buyer, (4) increases resulting from the establishment or amendment of pools or units and (5) as otherwise stated in Exhibit B; and

(c) with respect to each Asset, is free and clear of all encumbrances.

2. ***Net Revenue Interest.*** "NRI" shall mean with respect to a Well, the decimal interest of Seller in and to all production of hydrocarbons produced and saved or sold from or allocated to such Well (limited to the currently producing formation of such Well), after giving effect to all royalties, overriding royalties, nonparticipating royalties, net profits interests, production payments, carried interests, reversionary interests and other burdens upon, measurable or payable out of production therefrom.

3. Permitted Encumbrances. "Permitted Encumbrances" shall include:

(a) the terms and conditions of all Contracts, Leases (including with respect to (x) any Leases that have expired, or will expire, pursuant to their express terms, and (y) any portions of any Leases that are lost as the result of any vertical or horizontal "Pugh clauses" or other similar provisions contained therein) and burdens if the net cumulative effect of such Contracts, Leases and burdens does not operate to: (i) reduce the NRI of Seller with respect to any Well to an amount less than the NRI set forth in Exhibit B; or (ii) obligate Seller to bear a working interest with respect to any Well in an amount greater than the working interest set forth in Exhibit B for such Well (unless the NRI for such Well is greater than the NRI set

forth in Exhibit B in the same (or greater) proportion as any increase in such working interest);

(b) preferential rights to purchase and any consents (including customary post-Closing consents), and any required notices to, or filings with, governmental authorities in connection with the consummation of the transactions contemplated by this Agreement;

(c) liens for Taxes or assessments not yet due or delinquent or, if delinquent, that are being contested in good faith;

(d) conventional rights of reassignment upon final intention to abandon or release the Assets, or any of them;

(e) such Title Defects as Buyer has waived or is deemed to have waived pursuant to the terms of this Agreement;

(f) all applicable permits and laws and all rights reserved to or vested in any governmental authority (i) to control or regulate any Asset in any manner; (ii) by the terms of any right, power, franchise, grant, license or permit, or by any provision of law, to terminate such right, power, franchise grant, license or permit or to purchase, condemn, expropriate or recapture or to designate a purchaser of any Asset; (iii) to use such property in a manner which does not materially impair the use of such property for the purposes for which it is currently owned and operated; or (iv) to enforce any obligations or duties affecting the Asset to any governmental authority with respect to any franchise, grant, license or permit;

(g) rights of a common owner of any interest in rights-of-way, permits or easements held by Seller and such common owner as tenants in common or through common ownership;

(h) easements, conditions, covenants, restrictions, servitudes, permits, rights-of-way, surface leases and other similar rights for the purpose of surface or other operations, facilities, pipelines, transmission lines, transportation lines, distribution lines, power lines, telephone lines and other like purposes, or for the joint or common use of the lands, rights-of-way, facilities and equipment, which, in each case, do not materially impair the operation or use of the Assets as currently operated and used;

(i) vendors', carriers', warehousemens', repairmens', mechanics', workmens', materialmens', construction or other like liens arising by operation of law in the ordinary course of business or incident to the construction or improvement of any property in respect of obligations which are not yet due or that are being contested in good faith by appropriate proceedings by or on behalf of Seller;

(j) liens created under Leases, permits, easements, rights-of-way or Contracts, or by operation of law in respect of obligations that are not yet due or that are being contested in good faith by appropriate proceedings by or on behalf of Seller;

(k) any encumbrance affecting the Assets that is discharged by Seller at or prior to Closing or has been cured or remedied by applicable statutes of limitation or statutes of prescription;

(l) any matters set forth in Exhibit A, Exhibit B, Exhibit C or Exhibit D;

(m) calls on production under existing Contracts that can be terminated upon not more than sixty (60) days' notice;

(n) limitations (including drilling and operating limitations) imposed on the Assets by reason of the rights of subsurface owners or operators in a common property (including the rights of coal, utility and timber owners);

(o) all depth restrictions or limitations applicable to any Asset set forth in Exhibit B or contained in any Leases, permits, easements, rights-of-way or Contracts;

(p) zoning and planning ordinances and municipal regulations;

(q) defects in the chain of title consisting of the failure to recite marital status in a document or the omissions of (i) affidavits or similar instruments reflecting heirship or (ii) estate proceedings;

(r) defects arising out of lack of survey, unless a survey is expressly required by applicable laws;

(s) defects arising out of lack of corporate or other entity authorization in the public records, unless Buyer provides affirmative evidence that such corporate or other entity action results in another person's actual and superior claim of title to the relevant Asset;

(t) defects based on a gap in Seller's chain of title to any Asset in the applicable federal, state or county records, unless such gap is affirmatively shown to exist in such records by an abstract of title, title opinion or landman's title chain or runsheet, which documents shall be included in a Title Defect Notice;

(u) defects based upon the failure to record any right-of-way included in the Assets or any assignments of interests in such rights-of-way included in the Assets in any applicable county records, unless such failure has resulted in another person's actual and superior claim of title to the relevant Asset;

(v) any encumbrance or loss of title resulting from Seller's conduct of business in compliance with this Agreement;

(w) defects arising from Leases failing to have pooling provisions;

(x) defects arising from any change in laws after the Effective Time, including changes that would raise the minimum landowner royalty;

(y) defects that affect only which person has the right to receive royalty payments (rather than the amount of the proper payment of such royalty payment);

(z) defects arising from any encumbrance created by a mineral owner, which has not been subordinated to the lessee's interest, unless such encumbrance is a mortgage that is in default or under which foreclosure proceedings are pending or threatened;

(aa) defects based solely on: (i) lack of information in Seller's files, (ii) references to an unrecorded document to which neither Seller nor any affiliate of Seller is a party, if such document is not in Seller's files, or (iii) any Tax assessment, Tax payment or similar records or the absence of such activities or records;

(bb) defects arising from any prior oil and gas lease relating to the Lands not being surrendered of record, unless Buyer provides affirmative evidence that such prior oil and gas lease is still in effect and has resulted in another person's actual and superior claim of title to the relevant Well;

(cc) all defects or irregularities resulting from the failure to record releases, encumbrances or production payments that have expired on their own terms;

(dd) any maintenance of uniform interest provision;

(ee) any matter that would not constitute a Title Defect under the terms of this Agreement;

(ff) all other encumbrances, instruments, obligations, defects and irregularities affecting the Assets that individually or in the aggregate do not: (i) reduce the NRI of Seller with respect to any Well to an amount less than the NRI set forth in Exhibit B; or (ii) obligate Seller to bear a working interest with respect to any Well in an amount greater than the working interest set forth in Exhibit B for such Well (unless the NRI for such Well is greater than the NRI set forth in Exhibit B in the same (or greater) proportion as any increase in such working interest); and

(gg) any liens, obligations, defects, irregularities or other encumbrances affecting the Assets that would be customarily waived or accepted by an ordinary prudent operator or company experienced in the acquisition or divestiture of producing oil and gas properties.

4. ***Title Defects; Title Defect Amounts***.

(a) A "Title Defect" shall mean any encumbrance that causes Seller not to have Defensible Title in and to any Asset; *provided* that Permitted Encumbrances shall not be considered Title Defects.

(b) The "Title Defect Amount" resulting from a Title Defect shall be the amount by which the Allocated Value of the affected Title Defect Property is reduced as a result of the existence of such Title Defect determined in accordance with the following:

(i) If the Title Defect is a deficiency in NRI, the Title Defect Amount shall be equal to the product of (A) the Allocated Value of the affected Asset, *multiplied by*, (B) a fraction, (1) the numerator of which is the difference between Seller's actual NRI and the NRI set forth on Exhibit B for the

Title Defect Property, and (2) the denominator of which is the NRI set forth on Exhibit B for such Title Defect Property;

(ii) If the Title Defect is a lien, encumbrance or other charge which is undisputed and liquidated in amount, then the Title Defect Amount shall be the amount necessary to be paid to remove the Title Defect from the affected Asset; and

(iii) If the Title Defect is not of the type described in subsection 4(b)(i) or 4(b)(ii) above, the Title Defect Amount shall be determined by taking into account the Allocated Value of the Title Defect Property, the portion of the Title Defect Property affected by the Title Defect, the legal effect of the Title Defect, the reasonably anticipated cost to cure the Title Defect, the potential economic effect of the Title Defect over the life of the Title Defect Property and such other reasonable factors as are necessary to make a proper evaluation. The Title Defect Amount with respect to a Title Defect Property shall be determined without duplication of any costs or losses included in another Title Defect Amount hereunder.

(iv) Notwithstanding anything to the contrary in this Appendix I Section 4, the aggregate Title Defect Amounts attributable to the effects of all Title Defects upon any Title Defect Property (whether related to an adjustment to the Purchase Price or any other remedy provided by Seller hereunder or any claim for any breach of the special warranty of Defensible Title contained in the Assignment) shall not exceed (A) the reasonable cost and expense of curing such Title Defect (if such Title Defect is reasonably capable of being cured) or (B) the Allocated Value of such Title Defect Property.

5. ***Independent Expert.***

(a) Any disputes regarding Title Defects, Environmental Defects, Title Defect Amount, Remediation Amount, appropriate cure of any Title Defect or Remediation of any Environmental Defect, or the Final Settlement Statement or other accounting matters that are not resolved within one hundred fifty (150) days following Closing may be submitted by a Party, with written notice to the other Party, to an independent expert (the "Independent Expert"), who shall serve as the sole and exclusive arbitrator of any such dispute. The Independent Expert shall be selected by Buyer and Seller (acting reasonably and in good faith) within fifteen (15) days following the effective date of said notice. The Independent Expert must (a) be a neutral party who has never been an officer, director or employee of or performed material work for a Party or any Party's affiliate within the preceding five (5)-year period and (b) agree in writing to keep strictly confidential the specifics and existence of the dispute as well as all proprietary records of the Parties reviewed by the Independent Expert in the process of resolving such dispute. For any title matter, the Independent Expert must have not less than ten (10) years' experience as a lawyer with experience in oil and gas titles involving properties in the same geographic region in which the Assets are located. For any environmental matter, the Independent Expert must have not less than ten (10) years' experience in environmental matters involving oil and gas properties in the same geographic region in which the Assets are located. If disputes exist with

respect to both title and environmental matters, the Parties will conduct separate arbitration proceedings with the title disputes and environmental disputes being submitted to separate Independent Experts. For any Final Settlement Statement or accounting matter, the Independent Expert shall be the Houston, Texas office of the American Arbitration Association.

(b) If Buyer and Seller fail to select an Independent Expert within the fifteen (15) day period referred to in Appendix I Section 5(a) above, within three (3) days thereafter, each of Buyer and Seller shall choose an Independent Expert meeting the qualifications set forth above, and such experts shall promptly choose a third Independent Expert (meeting the qualifications provided for herein) who alone shall resolve the disputes between Buyer and Seller. Buyer and Seller shall each bear its own costs and expenses incurred in connection with any such proceeding and one-half (1/2) of the costs and expenses of the Independent Expert.

(c) Disputes to be resolved by an Independent Expert shall be resolved in accordance with the Commercial Arbitration Rules of the AAA as supplemented to the extent necessary to determine any procedural appeal questions by the Federal Arbitration Act (Title 9 of the United States Code), but only to the extent such rules do not conflict with the terms of Appendix I and Appendix II, mutually agreed procedures and rules and, failing such agreement, in accordance with the rules and procedures for non-administered arbitration set forth in the commercial arbitration rules of the American Arbitration Association. The decision and award of the Independent Expert shall be binding upon the Parties and final and non-appealable to the maximum extent permitted by law and judgment thereon may be entered in a court of competent jurisdiction and enforced by any Party as a final judgment of such court.

(d) Within five (5) business days following the receipt by either Party of written notice of a dispute, the Parties will exchange their written description of the proposed resolution of the disputed matters. Provided that no resolution has been reached, within five (5) business days following the selection of the Independent Expert, the Parties shall submit to the Independent Expert the following: (i) this Agreement, (ii) Buyer's written description of the proposed resolution of the disputed matters, together with any relevant supporting materials, (iii) Seller's written description of the proposed resolution of the disputed matters, together with any relevant supporting materials, and (iv) the written notice of the dispute.

(e) The Independent Expert shall make its determination by written decision within fifteen (15) days following receipt of the materials (the "Independent Expert Decision"). The Independent Expert Decision with respect to the disputed matters shall be limited to the selection of the single proposal for the resolution of the aggregate disputed matters proposed by a Party that best reflects the terms and provisions of this Agreement (*i.e.*, the Independent Expert must select either Buyer's proposal or Seller's proposal for resolution of the aggregate disputed matters).

(f) The Independent Expert shall act as an expert for the limited purpose of determining the specific matters submitted for resolution herein and shall not be empowered to award damages, interest, or penalties to either Party with respect to any matter.

(g) All proceedings under Appendix I Section 5(a) above shall be conducted in Harris County, Texas.

APPENDIX II

1. ***Environmental Condition***. "Environmental Condition" shall mean a condition that causes an Asset (or Seller with respect to an Asset) not to be in compliance with an Environmental Law. For the avoidance of doubt, (a) the fact that a Well is no longer capable of producing sufficient quantities of oil or gas to continue to be classified as a "producing well" or that such a Well should be temporarily abandoned or permanently plugged and abandoned, in each case, shall not form the basis of an Environmental Condition, (b) the fact that a pipe is temporarily not in use shall not form the basis of an Environmental Condition, (c) all losses, obligations and liabilities for plugging, decommissioning, removal of equipment, abandonment and restoration obligations of the Assets that arise by contract, lease terms, Environmental Laws or requested by any governmental authority shall not form the basis of an Environmental Condition, (d) any condition, contamination, liability, loss, cost, expense or claim related to NORM or asbestos shall not form the basis of an Environmental Condition, and (e) except with respect to personal property (i) that causes or has caused contamination of soil, surface water or groundwater or (ii) the use or condition of which is a violation of Environmental Law, the physical condition of any surface or subsurface personal property, including water or oil tanks, separators or other ancillary equipment, shall not form the basis of an Environmental Condition.

2. ***Environmental Defect***. "Environmental Defect" shall mean an Environmental Condition existing as of the Effective Time with respect to a Lease or Well.

3. ***Environmental Laws***. "Environmental Laws" shall mean any applicable law (including common law), rule or regulation relating to the protection of the environment.

4. ***Environmental Liabilities***. "Environmental Liabilities" shall mean all costs, damages, expenses, liabilities, obligations and other responsibilities arising from or under Environmental Laws, third party claims relating to the environment, or any other matter related to the environment and/or the condition of the Assets and which, in each case, relate to the Assets or the past, current or future ownership or operation of the same.

5. ***Remediation***. "Remediation" shall mean, with respect to any Environmental Condition, the implementation and completion of the minimum remedial or other corrective actions required under Environmental Laws to correct or remove such Environmental Condition.

6. ***Remediation Amount***. "Remediation Amount" shall mean, with respect to any Environmental Condition asserted in relation to an Environmental Defect Notice, the cost (net to Seller's interest in the Assets) of the lowest cost Remediation of such Environmental Condition that is reasonably effective and available and in minimum compliance with Environmental Laws; *provided, however*, that "Remediation Amount" shall not include (a) the costs of Buyer's employees, or, if Seller is conducting the Remediation, Buyer's project manager(s) or attorneys, (b) expenses for matters that are ordinary costs of doing business regardless of the presence of an Environmental Condition, (c) overhead costs of Buyer and/or its affiliates, or (d) any expenses relating to the assessment, remediation or other corrective actions of any asbestos, asbestos-containing materials or NORM. The lowest cost Remediation may include taking no action, leaving the condition unaddressed, periodic monitoring or the recording of notices in lieu of remediation, if such responses are allowed under Environmental Laws. Notwithstanding anything to the contrary in this Agreement, the aggregate Remediation Amounts attributable to the effects of all Environmental Defects upon any Environmental Defect Property shall not exceed the Allocated Value of such Environmental Defect Property.

Exhibit 2.2

FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT

This First Amendment to Purchase and Sale Agreement (this "***Amendment***") is made as of August 28, 2019, by and between EV Properties, L.P., a Delaware limited partnership ("***Seller***") and Bedrock Production, LLC, a Texas limited liability company ("***Buyer***"). Seller and Buyer are sometimes hereinafter referred to individually as a "***Party***" and collectively as the "***Parties***." Capitalized terms used but not defined in this Amendment shall have the meanings given to such terms in the Purchase Agreement (as hereinafter defined).

WHEREAS, Seller and Buyer are parties to that certain Purchase and Sale Agreement dated July 29, 2019 (as amended by this Amendment, the "***Purchase Agreement***"); and

WHEREAS, the Parties desire to amend the Purchase Agreement and to memorialize certain mutual agreements relating to certain transactions contemplated by the Purchase Agreement, as more specifically set forth in this Amendment.

NOW, THEREFORE, in consideration of the premises and of the mutual promises, representations, warranties, covenants, conditions and agreements contained herein and in the Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Amendment to Section 18 of the Purchase Agreement**. The first sentence of Section 18 of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

> Closing shall occur on September 9, 2019 (the "Closing"), or on such other date as Seller and Buyer may agree in writing.

2. **Compliance with Purchase Agreement**. The Parties acknowledge that this Amendment complies with the requirements to alter or amend the Purchase Agreement, as stated in Section 21(c) of the Purchase Agreement. The Purchase Agreement, as amended herein, is ratified and confirmed, and all other terms and conditions of the Purchase Agreement not modified by this the Amendment shall remain in full force and effect. All references to the Purchase Agreement shall be considered to be references to the Purchase Agreement as modified by this Amendment.

3. **Incorporation**. The Parties acknowledge that this Amendment shall be governed by the terms of Section 21 of the Purchase Agreement and such provisions shall be incorporated herein, *mutatis mutandis*.

4. **Counterparts**. This Amendment may be executed in one (1) or more counterparts, each of which will be deemed an original and all of which together shall constitute the same agreement, and any signature hereto delivered by a Party by facsimile or other electronic transmission (*e.g.*, email) shall be deemed an original signature hereto for all purposes.

[*Signature pages follow*.]

IN WITNESS WHEREOF, the Parties have executed and delivered this Amendment as of the date first written above.

SELLER:

EV PROPERTIES, L.P.

By: EV Properties GP, LLC
Its General Partner

By: /s/ MICHAEL E. MERCER
Michael E. Mercer
President and Chief Executive Officer

BUYER:

BEDROCK PRODUCTION, LLC

By: /s/ WILL TODD
Will Todd
Executive Vice President – Business Development and Finance

[Signature Page to the First Amendment to the Purchase and Sale Agreement]

Exhibit 2.3

SECOND AMENDMENT TO
PURCHASE AND SALE AGREEMENT

This Second Amendment to Purchase and Sale Agreement (this "***Amendment***") is made as of September 6, 2019, by and between EV Properties, L.P., a Delaware limited partnership ("***Seller***") and Bedrock Production, LLC, a Texas limited liability company ("***Buyer***"). Seller and Buyer are sometimes hereinafter referred to individually as a "***Party***" and collectively as the "***Parties***." Capitalized terms used but not defined in this Amendment shall have the meanings given to such terms in the Purchase Agreement (as hereinafter defined).

WHEREAS, Seller and Buyer are parties to that certain Purchase and Sale Agreement dated July 29, 2019 (as amended by this Amendment, the "***Purchase Agreement***");

WHEREAS, Seller and Buyer previously amended the Purchase Agreement pursuant to that certain First Amendment to Purchase and Sale Agreement dated August 28, 2019; and

WHEREAS, the Parties desire to further amend the Purchase Agreement and to memorialize certain mutual agreements relating to certain transactions contemplated by the Purchase Agreement, as more specifically set forth in this Amendment.

NOW, THEREFORE, in consideration of the premises and of the mutual promises, representations, warranties, covenants, conditions and agreements contained herein and in the Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Amendment to Section 7(b) of the Purchase Agreement**. Section 7(b) of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

> "Specified Obligations" shall be all obligations and liabilities solely to the extent arising out of or related to (i) personal injury or death to the extent occurring prior to the Closing; (ii) any offsite disposal of hazardous materials generated by Seller and taken from the Assets to offsite locations occurring prior to the Closing; (iii) any and all income or franchise Taxes imposed by any applicable law on, or allocable to, Seller or any of its affiliates, or any combined, unitary or consolidated group of which any of the foregoing is or was a member; (iv) any and all Asset Taxes allocable to Seller pursuant to Section 19; (v) the employment relationship between Seller (or its affiliates) and any of their respective present or former employees or the termination of any such employment relationship prior to the Closing; (vi) any non-payment or mis-payment of royalties by Seller (or on behalf of Seller) with respect to the Assets attributable to periods prior to the Closing date; (vii) the Excluded Assets; (viii) solely to the extent attributable to the Assets, any suits, actions, arbitration proceedings or other litigation set forth on Schedule 14(k); and (ix) those certain Tax liens filed in Denton and Johnson Counties, Texas on March 26, 2018 each in an amount equal to $2,259,972.60.

2. **Acknowledgement of Tag Right.** The Parties acknowledge that, pursuant to Section 21(r) of the Purchase Agreement, Buyer intends to enter into a Purchase and Sale Agreement with EnerVest Fund B (the "Tag-Along PSA") relating to its interest in the Tag-Along

Right Properties. The Parties acknowledge and agree that (i) EnerVest Fund B has properly exercised its tag-along right to sell its interest in the Tag-Along Right Properties, (ii) the execution of the Tag-Along PSA fulfills Buyer's obligations under Section 21(r) of the Purchase Agreement and (iii) EnerVest Fund 1A has elected to not exercise its tag-along rights to sell its interest in the properties conveyed pursuant to this Agreement.

3. **Bureau of Land Management Assignment Forms**. Clause (c) of Section 18 of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

> "(c) Seller will execute and deliver an assignment, conveyance and bill of sale covering the Assets in the form attached hereto as Exhibit E (the "Assignment"), together with any other assignments, on appropriate forms, of federal, state and Indian Leases comprising part of the Assets, if any, (*e.g.,* Bureau of Indian Affairs or Bureau of Land Management assignment forms) in its possession (which assignments, other than the Assignment, shall, in any event, be delivered to Buyer on or before the date that is five (5) Business Days following the Closing),"

4. **Compliance with Purchase Agreement**. The Parties acknowledge that this Amendment complies with the requirements to alter or amend the Purchase Agreement, as stated in Section 21(c) of the Purchase Agreement. The Purchase Agreement, as amended herein, is ratified and confirmed, and all other terms and conditions of the Purchase Agreement not modified by this the Amendment shall remain in full force and effect. All references to the Purchase Agreement shall be considered to be references to the Purchase Agreement as modified by this Amendment.

5. **Incorporation**. The Parties acknowledge that this Amendment shall be governed by the terms of Section 21 of the Purchase Agreement and such provisions shall be incorporated herein, *mutatis mutandis*.

6. **Counterparts**. This Amendment may be executed in one (1) or more counterparts, each of which will be deemed an original and all of which together shall constitute the same agreement, and any signature hereto delivered by a Party by facsimile or other electronic transmission (*e.g.*, email) shall be deemed an original signature hereto for all purposes.

[*Signature pages follow*.]

IN WITNESS WHEREOF, the Parties have executed and delivered this Amendment as of the date first written above.

SELLER:

EV PROPERTIES, L.P.

By: EV Properties GP, LLC
Its General Partner

By: /s/ MICHAEL E. MERCER
Michael E. Mercer
President and Chief Executive Officer

BUYER:

BEDROCK PRODUCTION, LLC

By: /s/ WILL TODD
Will Todd
Executive Vice President – Business Development and Finance

Exhibit 2.4

THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT

This Third Amendment to Purchase and Sale Agreement (this "***Amendment***") is made as of September 6, 2019, by and between EV Properties, L.P., a Delaware limited partnership ("***Seller***") and Bedrock Production, LLC, a Texas limited liability company ("***Buyer***"). Seller and Buyer are sometimes hereinafter referred to individually as a "***Party***" and collectively as the "***Parties***." Capitalized terms used but not defined in this Amendment shall have the meanings given to such terms in the Purchase Agreement (as hereinafter defined).

WHEREAS, Seller and Buyer are parties to that certain Purchase and Sale Agreement dated July 29, 2019 (as amended by this Amendment, the "***Purchase Agreement***");

WHEREAS, Seller and Buyer previously amended the Purchase Agreement pursuant to that certain First Amendment to Purchase and Sale Agreement dated August 28, 2019 and that certain Second Amendment to Purchase and Sale Agreement dated September 6, 2019; and

WHEREAS, the Parties desire to further amend the Purchase Agreement and to memorialize certain mutual agreements relating to certain transactions contemplated by the Purchase Agreement, as more specifically set forth in this Amendment.

NOW, THEREFORE, in consideration of the premises and of the mutual promises, representations, warranties, covenants, conditions and agreements contained herein and in the Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Amendment to Section 18 of the Purchase Agreement**. The first sentence of Section 18 of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

> Closing shall occur on September 10, 2019 (the "Closing"), or on such other date as Seller and Buyer may agree in writing.

2. **Compliance with Purchase Agreement**. The Parties acknowledge that this Amendment complies with the requirements to alter or amend the Purchase Agreement, as stated in Section 21(c) of the Purchase Agreement. The Purchase Agreement, as amended herein, is ratified and confirmed, and all other terms and conditions of the Purchase Agreement not modified by this the Amendment shall remain in full force and effect. All references to the Purchase Agreement shall be considered to be references to the Purchase Agreement as modified by this Amendment.

3. **Incorporation**. The Parties acknowledge that this Amendment shall be governed by the terms of Section 21 of the Purchase Agreement and such provisions shall be incorporated herein, *mutatis mutandis*.

4. **Counterparts**. This Amendment may be executed in one (1) or more counterparts, each of which will be deemed an original and all of which together shall constitute the same agreement, and any signature hereto delivered by a Party by facsimile or other electronic transmission (*e.g.*, email) shall be deemed an original signature hereto for all purposes.

[*Signature pages follow*.]

IN WITNESS WHEREOF, the Parties have executed and delivered this Amendment as of the date first written above.

SELLER:

EV PROPERTIES, L.P.

By: EV Properties GP, LLC
Its General Partner

By: /s/ MICHAEL E. MERCER
Michael E. Mercer
President and Chief Executive Officer

BUYER:

BEDROCK PRODUCTION, LLC

By: /s/ WILL TODD
Will Todd
Executive Vice President – Business Development and Finance

Exhibit 2.5

Certain information has been excluded from this agreement (indicated by "[***]") because such information (i) is not material and (ii) would be competitively harmful if publicly disclosed.

PURCHASE AND SALE AGREEMENT

Alfalfa, Beaver, Beckham, Blaine, Bryan, Caddo, Canadian, Carter, Cleveland, Comanche, Custer, Dewey, Ellis, Garfield, Garvin, Grady, Harper, Kingfisher, Kiowa, Lincoln, Logan, Love, Major, Marshall, McClain, Oklahoma, Pottawatomie, Roger Mills, Stephens, Washita, Woods, and Woodward Counties, Oklahoma and Grayson, Hansford, Lipscomb, Hemphill, Ochiltree, Roberts and Wheeler Counties, Texas

Subject to the terms of this agreement (this "Agreement"), EV Properties, L.P. ("Seller"), a Delaware limited partnership, agrees to sell, transfer and convey to BCE-Mach II LLC, a Delaware limited liability company ("Buyer", and collectively with Seller, the "Parties", and each of Seller and Buyer, a "Party"), and Buyer agrees to purchase, acquire and accept, all of Seller's right, title and interest in and to (a) the oil and gas leases, or portions thereof, more fully described on the attached Exhibit A, including, without limitation, working interests, reversionary interests, royalty interests, overriding royalty interests, net revenue interests, net profits interests, production payments, farmout rights, options and other rights to the leases, fee minerals in place and all other interests of any kind or character associated with such leases (collectively, the "Leases") together with any leases that are pooled or unitized with any of the Leases and all lands covered by the Leases or such pools or units (the "Lands"); (b) all oil and gas wells, water wells, injection wells, and other wells located on or under, or attributable to, the Leases and/or Lands, including the oil and gas wells more fully described on the attached Exhibit B (the "Wells") and all hydrocarbons produced therefrom after the Effective Time; (c) pooled or unitized interests, force pooled interests and all unitization and pooling agreements with respect to or that include any of the Leases, Lands and Wells (the "Units" and together with the Leases, Lands and Wells, the "Properties"); (d) all contracts affecting or associated with the Properties, Equipment and Surface Rights, but exclusive of any master service agreements and contracts to the extent related to the Excluded Assets, including those set forth on the attached Exhibit C (excluding the Leases and Surface Rights, the "Contracts"); (e) all surface rights, permits, licenses, servitudes, easements, rights-of-way, and other surface use agreements and surface rights, related to the Properties, including those set forth on the attached Exhibit D (the "Surface Rights"); (f) the associated personal property, fixtures, improvements, equipment, buildings and facilities located on the Properties or Surface Rights and used primarily in connection with operations (as hereinafter defined), including all wellhead equipment, flow lines, pumps, pumping units, SCADA, hydrocarbon measurement facilities, compressors, tanks, buildings, boilers, treatment facilities, injection facilities, disposal facilities, compression facilities, pipe, parts, tools, telemetry devices, in each case to the extent transferable without payment of any fee (unless Buyer agrees to pay such fee) (collectively, the "Equipment"); (g) to the extent transferable without payment of any fee (unless Buyer agrees to pay such fee), all environmental, governmental and non-governmental permits, licenses, orders, authorizations, emissions or other similar credits (including carbon emission reduction credits) and related instruments or rights, in each case to the extent applicable to or benefiting the Assets (the "Permits"); (h) all hydrocarbons in storage or existing in stock tanks, pipelines or plants (including inventory) as of the Effective Time; (i) any Imbalances; (j) all lease files; land files, including unrecorded agreements related thereto; well files; gas and oil sales contract files; gas processing files; division order files; abstracts; title opinions; land surveys; non-confidential logs; maps; engineering data and reports; all geological and geophysical data (including all seismic data, seismic interpretations and reprocessed data) and all logs, cores and rights to access cores, interpretive data, technical evaluations and technical outputs (in each case, to the extent (A) assignable by Seller without payment of any fee unless Buyer agrees in writing to pay such fee and (B) not constituting proprietary information of a third party); and other books, records, data, files, and accounting records, in each case, to the extent related primarily to the Assets, or used or held for use primarily in connection with the maintenance or operation thereof, but excluding (i) any books, records, data, files, maps and accounting

records to the extent disclosure or transfer is restricted or prohibited by third-party agreement or applicable law, (ii) attorney-client privileged communications and work product of Seller's legal counsel (other than title opinions), (iii) reserve studies and evaluations, and (iv) records relating to the negotiation and consummation of the sale of the Assets pursuant to this Agreement (subject to such exclusions, the "Records"); (k) all audit rights, whether arising under any of the Contracts or otherwise, with respect to (i) any period on or after the Effective Time, with respect to the Assets and (ii) any of the Assumed Obligations; and (l) all claims, causes of action, manufacturers' and contractors' warranties and other rights of Seller arising under or with respect to (i) any Assets that are attributable to periods of time on or after to the Effective Time including claims for adjustments or refunds and (ii) any of the Assumed Obligations (collectively, less and except the Excluded Assets, the "Assets"). The purchase price for the Assets shall be Six Million Five Hundred Thousand Dollars ($6,500,000.00), subject to any adjustments that may be made under Section 4 (the "Purchase Price"). No later than one (1) business day after the execution of this Agreement, Buyer, Seller and JPMorgan Chase Bank, N.A. (the "Escrow Agent") shall enter into that certain Escrow Agreement (the "Escrow Agreement") of even date herewith and Buyer shall deposit into the Escrow Account contemplated by the Escrow Agreement, via wire transfer of immediately available funds, the sum of Six Hundred Fifty Thousand Dollars ($650,000.00) representing ten percent (10%) of the unadjusted Purchase Price (such amount, the "Deposit"). If Buyer fails to timely pay the Deposit to the Escrow Agent, Seller shall have the right to terminate this Agreement until such time as the Deposit is paid. If the Closing (as hereinafter defined) occurs, the Deposit (plus any interest earned thereon) shall be applied as a credit toward the Purchase Price at Closing. In the event this Agreement is terminated by Buyer or Seller in accordance with the terms of this Agreement (other than if terminated by Seller, as previously described), the Parties shall cause the Escrow Agent to pay the Deposit to Buyer or Seller in accordance with Section 20(b).

The sale contemplated in this Agreement is subject to the following terms and conditions:

1. **Effective Time**. The effective time of the purchase of the Assets shall be 12:01 a.m. Central Time on January 1, 2019 (the "Effective Time").

2. **Excluded Assets**. Seller shall reserve and retain the following "Excluded Assets": (a) all of Seller's corporate minute books and corporate financial records that relate to Seller's business generally; (b) all trade credits, all accounts, receivables, if any, and all other proceeds, income or revenues attributable to the Assets with respect to any period of time prior to the Effective Time; (c) all claims, causes of action, manufacturers' and contractors' warranties and other rights of Seller arising under or with respect to (i) any Assets that are attributable to periods of time prior to the Effective Time including claims for adjustments or refunds, and (ii) any other Excluded Assets; (d) all hydrocarbons produced from the Assets with respect to all periods prior to the Effective Time, other than those hydrocarbons produced from or allocated to the Assets and in storage or existing in stock tanks, pipelines or plants (including inventory) as of the Effective Time for which the Purchase Price is adjusted upward under Section 4; (e) all personal computers, network equipment and associated peripherals; (f) all master services agreements or similar contracts; (g) all easements, rights-of-way, surface rights, equipment, pipe and inventory (in each case, whether located on or off the Lands or Lands pooled or unitized therewith) which are not currently being used in connection with the Properties (other than any surface rights granted under any of the Leases); (h) all of Seller's proprietary computer software, patents, trade secrets, copyrights, names, trademarks, logos and other intellectual property, excluding SCADA or embedded software or functionality associated with the Equipment; (i) all documents and instruments and other data or information of Seller that is protected by an attorney-client privilege (other than title opinions); (j) all documents and instruments and other data or information that cannot be disclosed to Buyer as a result of confidentiality

arrangements under agreements with third parties; (k) all audit rights arising under any of the Contracts or otherwise with respect to (i) any period prior to the Effective Time, with respect to the Assets or (ii) any of the other Excluded Assets; (l) all claims of Seller or any of its affiliates for refunds of, rights to receive funds from any governmental entities, or loss carry forwards or credits with respect to (i) any and all income, franchise or similar Taxes imposed by any applicable law on, or allocable to, Seller or any of its affiliates, or any combined, unitary or consolidated group of which any of the foregoing is or was a member, (ii) any and all Asset Taxes allocable to Seller pursuant to Section 19, (iii) any Taxes imposed on or with respect to the ownership or operation of the Excluded Assets, and (iv) any and all other Taxes imposed on or with respect to the ownership of the Assets for any Tax period (or portion thereof) ending before the Effective Time (the Taxes in subclauses (i)-(iv) of this clause (l), collectively, "Seller Taxes"); and (m) any assets set forth on Exhibit F.

3. **Allocated Values**. The "Allocated Value" for each Well shall be agreed upon by Buyer and Seller and shall be set forth on Exhibit B.

4. **Purchase Price Adjustments**.

(a) Following Closing, Buyer shall be entitled to all revenues, production, proceeds, income, accounts receivable and products from or attributable to the Assets from and after the Effective Time, and shall be responsible for (and entitled to any refunds with respect to) all Property Costs attributable to the Assets and incurred from and after the Effective Time. Seller shall be entitled to all revenues, production, proceeds, income, accounts receivable and products from or attributable to the Assets prior to the Effective Time, and shall be responsible for (and entitled to any refunds with respect to) all Property Costs attributable to the Assets and incurred prior to the Effective Time. For purposes of this Agreement, "Property Costs" means, without duplication, (i) all ordinary course operating expenses and costs attributable to the ownership or operation of the Assets and (ii) costs and capital expenditures incurred in the ownership or operations of the Assets in the ordinary course of business, subject to compliance with Section 21(m) and in accordance with any applicable Contracts; *provided*, that "Property Costs" shall exclude, without limitation, all costs, expenses and Damages attributable to (1) the Specified Obligations, (2) Title Defects or curative costs associated therewith, (3) Environmental Defects or Remediation costs associated therewith, (4) Taxes, and (5) any amounts attributable to Seller's overhead or service fees paid or payable to third parties relating to the operation and/or other administration of the Assets.

(b) The Purchase Price shall be, without duplication,

(i) increased by the following amounts:

(1) the aggregate amount of proceeds received by Buyer for which Seller would otherwise be entitled under Section 4(a) with respect to the Assets;

(2) an amount equal to the market value of all hydrocarbons attributable to the Assets in storage or existing in stock tanks, pipelines and/or plants (including inventory), in each case, that are, as of the Effective Time, (i) upstream of the pipeline connection or (ii) upstream of the sales meter, in each case, net of burdens, where the market value is based upon the average gross

price received from the sale of such hydrocarbons in the month of the Effective Time, less amounts payable as royalties, overriding royalties, severance taxes and other burdens upon, measured by or payable out of such hydrocarbons;

(3) the aggregate amount of all non-reimbursed Property Costs which are attributable to the Assets during the period from and after the Effective Time and that are attributable to or have been paid by Seller;

(4) $[***] per month during the period from the Effective Time until the Closing as agreed reimbursement for service fee amounts incurred by Seller and attributable to the Assets;

(5) the amount of all Asset Taxes allocable to Buyer pursuant to Section 19 but paid or otherwise economically borne by Seller;

(6) the amount, if any, of imbalances in favor of Seller, *multiplied by* $2.10/Mcf, or, to the extent that applicable Contracts provide for cash balancing, the actual cash balance amount determined to be due to Seller as of the Effective Time; and

(7) any other upward adjustment provided for in this Agreement or mutually agreed upon by the Parties; and

(ii) decreased by the following amounts:

(1) the aggregate amount of proceeds received by Seller for which Buyer would otherwise be entitled under Section 4(a) with respect to the Assets;

(2) the aggregate amount of all non-reimbursed Property Costs which are attributable to the Assets during the period prior to the Effective Time and that are attributable to or have been paid by Buyer;

(3) the amount of all Asset Taxes allocable to Seller pursuant to Section 19 that will be paid or otherwise economically borne by Buyer;

(4) the amount, if any, of Imbalances owing by Seller, *multiplied by* $2.10/Mcf, or, to the extent that applicable Contracts provide for cash balancing, the actual cash balance amount determined to be owed by Seller as of the Effective Time;

(5) an amount equal to all proceeds from sales of hydrocarbons relating to the Assets and payable to owners of working interests, royalties, overriding royalties and other similar interests (in each case) that are held by Seller or any of Seller's affiliates in suspense as of the Closing date;

(6) subject to Section 11, the Title Defect Amount of any uncured Title Defects under Section 11(d)(i) and/or the Allocated Value of any excluded Title Defect Property (and directly associated Assets) under Section 11(d)(iii);

(7) subject to Section 12, the Remediation Amount of any uncured Environmental Defects under Section 12(d)(i) and/or the Allocated Value of

any excluded Environmental Defect Property (and directly associated Assets) under Section 12(d)(iii); and

(8) any other downward adjustment provided for in this Agreement or mutually agreed upon by the Parties.

(c) Not less than five (5) business days prior to Closing, Seller shall deliver to Buyer a statement (the "Preliminary Settlement Statement") setting forth, in reasonable detail, Seller's estimate of the adjustments to the Purchase Price pursuant to this Section 4. Not less than two (2) business days prior to Closing, Buyer shall notify Seller if it disagrees with any item on such Preliminary Settlement Statement. If the Parties cannot agree, the Purchase Price at Closing shall be based on the Preliminary Settlement Statement delivered by Seller and the final Purchase Price shall be determined pursuant to the final settlement statement (the "Final Settlement Statement") which shall be prepared by Seller and delivered to Buyer within ninety (90) days following Closing. After receipt of the proposed Final Settlement Statement from Seller, Buyer shall notify Seller of any disagreement that Buyer has with respect to the proposed Final Settlement Statement. If Buyer does not notify Seller of any disagreement with respect to the proposed Final Settlement Statement within thirty (30) days of Buyer's receipt of the proposed Final Settlement Statement, the proposed Final Settlement Statement will be deemed to be mutually agreed upon by the Parties and will be final and binding upon the Parties. Seller and Buyer shall work in good faith to resolve any such disputes with respect to the Final Settlement Statement, and any disagreement between the Parties as to the Final Settlement Statement shall be decided by the Independent Expert referred to in Section 5 in Appendix I.

5. **Special Warranty of Defensible Title**. Notwithstanding any other provision contained herein to the contrary, Seller shall provide a special warranty of Defensible Title to the Assets in the Assignment by, through and under Seller and its affiliates, but not otherwise. If Buyer provides written notice of a breach of such special warranty of Defensible Title to Seller, Seller shall have a reasonable opportunity (not to exceed ninety (90) days from and after Seller's receipt of Buyer's special warranty breach notice) to cure such breach to Buyer's reasonable satisfaction.

6. **Disclaimers**.

(A) EXCEPT AS AND TO THE LIMITED EXTENT EXPRESSLY SET FORTH IN SECTION 14 AND WITH RESPECT TO THE SPECIAL WARRANTY OF DEFENSIBLE TITLE IN THE ASSIGNMENT AND THE CERTIFICATE OF SELLER TO BE DELIVERED AT CLOSING, (I) SELLER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS, STATUTORY OR IMPLIED, AND (II) SELLER EXPRESSLY DISCLAIMS ALL LIABILITY AND RESPONSIBILITY (OTHER THAN AS PROVIDED IN SECTION 8 AND SECTION 14) FOR ANY REPRESENTATION, WARRANTY, STATEMENT OR INFORMATION MADE OR COMMUNICATED (ORALLY OR IN WRITING) TO BUYER OR ANY BUYER REPRESENTATIVE (INCLUDING ANY OPINION, INFORMATION, PROJECTION OR ADVICE THAT MAY HAVE BEEN PROVIDED TO BUYER BY A MEMBER OF THE SELLER GROUP).

(B) EXCEPT AS AND TO THE LIMITED EXTENT EXPRESSLY SET FORTH IN SECTION 14 AND WITH RESPECT TO THE SPECIAL WARRANTY OF DEFENSIBLE TITLE IN THE ASSIGNMENT AND THE CERTIFICATE OF SELLER TO BE DELIVERED AT CLOSING, AND WITHOUT LIMITING THE GENERALITY OF SECTION 6(A), SELLER EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY, EXPRESS, STATUTORY OR IMPLIED BY ANY MEMBER OF THE SELLER GROUP, AS TO (I) TITLE TO ANY OF THE ASSETS, (II) THE CONTENTS, CHARACTER OR NATURE OF ANY REPORT OF ANY PETROLEUM ENGINEERING CONSULTANT, OR ANY ENGINEERING, GEOLOGICAL OR SEISMIC DATA OR INTERPRETATION, RELATING TO THE ASSETS, (III) THE QUANTITY, QUALITY OR RECOVERABILITY OF HYDROCARBONS IN OR FROM THE ASSETS, (IV) ANY ESTIMATES OF THE VALUE OF THE ASSETS OR FUTURE REVENUES GENERATED BY THE ASSETS, (V) THE PRODUCTION OF HYDROCARBONS FROM THE ASSETS, (VI) THE MAINTENANCE, REPAIR, CONDITION, QUALITY, SUITABILITY, DESIGN OR MARKETABILITY OF THE ASSETS, (VII) THE CONTENT, CHARACTER OR NATURE OF ANY INFORMATION, MEMORANDUM, REPORTS, BROCHURES, CHARTS OR STATEMENTS PREPARED BY OR ON BEHALF OF SELLER OR THIRD PARTIES WITH RESPECT TO THE ASSETS, (VIII) ANY OTHER MATERIALS OR INFORMATION THAT MAY HAVE BEEN MADE AVAILABLE TO BUYER OR ANY BUYER REPRESENTATIVE IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY DISCUSSION OR PRESENTATION RELATING THERETO AND (IX) ANY IMPLIED OR EXPRESS WARRANTY OF FREEDOM FROM PATENT OR TRADEMARK INFRINGEMENT. EXCEPT AS AND TO THE LIMITED EXTENT EXPRESSLY SET FORTH IN SECTION 14 OR THE ASSIGNMENT, SELLER FURTHER DISCLAIMS ANY REPRESENTATION OR WARRANTY, EXPRESS, STATUTORY OR IMPLIED, OF MERCHANTABILITY, FREEDOM FROM LATENT VICES OR DEFECTS, FITNESS FOR A PARTICULAR PURPOSE OR CONFORMITY TO MODELS OR SAMPLES OF MATERIALS OF ANY ASSETS, RIGHTS OF A PURCHASER UNDER APPROPRIATE STATUTES TO CLAIM DIMINUTION OF CONSIDERATION OR RETURN OF THE PURCHASE PRICE OR CONSIDERATION, IT BEING EXPRESSLY UNDERSTOOD AND AGREED BY THE PARTIES THAT, BUYER SHALL BE DEEMED TO BE ACQUIRING THE ASSETS IN THEIR PRESENT STATUS, CONDITION AND STATE OF REPAIR, “AS IS” AND “WHERE IS” WITH ALL FAULTS OR DEFECTS (KNOWN OR UNKNOWN, LATENT, DISCOVERABLE OR UNDISCOVERABLE), AND THAT BUYER HAS MADE OR CAUSED TO BE MADE SUCH INSPECTIONS AS BUYER DEEMS APPROPRIATE.

(C) EXCEPT AS SET FORTH IN SECTION 14(k), SELLER HAS NOT AND WILL NOT MAKE ANY REPRESENTATION OR WARRANTY REGARDING ANY MATTER OR CIRCUMSTANCE RELATING TO ENVIRONMENTAL LAWS, THE RELEASE OF HAZARDOUS MATERIALS OR OTHER MATERIALS INTO THE ENVIRONMENT OR THE PROTECTION OF HUMAN HEALTH, SAFETY, NATURAL RESOURCES OR THE ENVIRONMENT, OR ANY OTHER ENVIRONMENTAL CONDITION OF THE ASSETS, AND NOTHING IN THIS AGREEMENT OR OTHERWISE SHALL BE CONSTRUED AS SUCH A REPRESENTATION OR WARRANTY, AND BUYER SHALL BE DEEMED TO BE ACQUIRING THE ASSETS “AS IS” AND “WHERE IS” WITH ALL FAULTS FOR PURPOSES OF THEIR ENVIRONMENTAL CONDITION AND THAT BUYER HAS

MADE OR CAUSED TO BE MADE SUCH ENVIRONMENTAL INSPECTIONS AS BUYER DEEMS APPROPRIATE.

(D) SELLER AND BUYER AGREE THAT, TO THE EXTENT REQUIRED BY APPLICABLE LAW TO BE EFFECTIVE, THE DISCLAIMERS OF CERTAIN REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS SECTION 6 ARE CONSPICUOUS DISCLAIMERS FOR THE PURPOSE OF ANY APPLICABLE LAW.

7. **Obligations**.

(a) From and after the Closing, but without limiting Buyer's right to indemnification under Section 8, Buyer shall assume and hereby agrees to fulfill, perform, pay and discharge (or cause to be fulfilled, performed, paid or discharged) all of the obligations and liabilities of Seller with respect to the Assets, regardless of whether such obligations or liabilities arose prior to, on or after the Effective Time, including, without limitation, any and all obligations or liabilities relating to Imbalances, suspense funds and plugging and abandonment obligations attributable to the Assets, Environmental Liabilities and all decommissioning liabilities, and including any and all Asset Taxes (all of said obligations and liabilities, herein being referred to as the "Assumed Obligations"); *provided*, *however*, that the Assumed Obligations do not include and Buyer does not assume any Specified Obligations.

(b) "Specified Obligations" shall be all obligations and liabilities solely to the extent arising out of or related to (i) personal injury or death to the extent occurring prior to the Closing; (ii) any offsite disposal of hazardous materials generated by Seller or its affiliates and taken from the Assets to offsite locations occurring prior to the Closing; (iii) Seller Taxes; (iv) the employment relationship between Seller (or its affiliates) and any of their respective present or former employees or the termination of any such employment relationship; (v) any non-payment or mis-payment of royalties by Seller (or on behalf of Seller) with respect to the Assets attributable to periods prior to the Closing date; (vi) pending or threatened litigation set forth on Schedule 14(j) o r Schedule 14(k); (vii) any indebtedness of Seller for borrowed money, including any indebtedness secured by a lien on any of the Assets; and (viii) the Excluded Assets.

8. **Indemnities**.

(a) Buyer shall be responsible for and indemnify, defend, release and hold harmless Seller, its current and former affiliates, and each of their respective officers, sponsors, directors, managers, members, employees, agents, advisors and other representatives (the "Seller Group") from and against any and all claims, demands, payments, charges, judgments, assessments, losses, liabilities, damages, penalties, fines, expenses, costs, fees, settlements and deficiencies, including any reasonable attorneys' fees, legal and other costs and expenses suffered or incurred therewith (collectively, "Damages") caused by, arising out of or resulting from:

(i) the Assumed Obligations;

(ii) breach of any representation or warranty of Buyer contained in this Agreement; and

(iii) breach of, or default under, any of its covenants or obligations under this Agreement.

Buyer's indemnity obligations set forth in this Section 8(a) shall survive the Closing of the transaction contemplated hereby without time limit.

(b) Seller shall be responsible for and indemnify, defend, release and hold harmless Buyer, its current and former affiliates, and each of their respective officers, sponsors, directors, managers, members, employees, agents, advisors and other representatives (the "Buyer Group") from and against all Damages caused by, arising out of or resulting from:

(i) the Specified Obligations;

(ii) breach of any representation or warranty of Seller contained in the Agreement; and

(iii) breach of, or default under, any of its covenants or obligations under this Agreement.

Seller's indemnity obligations set forth in this Section 8(b) shall survive the Closing of the transaction contemplated hereby as follows: (1) the indemnity obligations set forth in Section 8(b)(i) (except with respect to Seller Taxes and clause (vi) of the definition of the "Specified Obligations") and Section 8(b)(iii) shall survive the Closing for a period of [***] ([***]) months from the Closing date; (2) the indemnity obligations set forth in Section 8(b)(ii) with respect to the Fundamental Representations and the indemnity obligations set forth in Section 8(b)(i) with respect to clause (vi) of the definition of the "Specified Obligations" shall survive the Closing indefinitely; (3) the indemnity obligations set forth in Section 8(b)(i) with respect to Seller Taxes and the indemnity obligations set forth in Section 8(b)(ii) with respect to Seller's representations and warranties set forth in Section 14(l) shall survive the Closing until thirty (30) days after the applicable statute of limitations has expired; and (4) the indemnity obligations set forth in Section 8(b)(ii) (other than with respect to the Fundamental Representations and the representations and warranties set forth in Section 14(l)) shall survive the Closing for a period of eighteen (18) months from the Closing date. Notwithstanding anything herein to the contrary (other than as hereinafter expressly set forth), in no event shall Seller indemnify Buyer for (A) any individual claim that does not exceed [***] Dollars ($[***]) (the "Indemnification Threshold"), (B) any claims exceeding the Indemnification Threshold unless and until the aggregate amount of all indemnification claims (exceeding the Indemnification Threshold) for which Seller is liable under this Agreement exceed [***] percent ([***]%) of the Purchase Price (the "Indemnity Deductible") and then only to the extent such liabilities exceed the Indemnity Deductible, (C) aggregate indemnification claims arising under Section 8(b)(ii) (other than with respect to Fundamental Representations) in excess of [***] percent ([***]%) of the Purchase Price and (D) aggregate indemnification claims arising under Section 8(b) in excess of the Purchase Price. The limitations set forth above (other than in subpart (D)) shall not apply to indemnity claims relating to (x) breaches of the Fundamental Representations and Seller's representation in Section 14(l) and (y) Seller Taxes.

(c) NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, EXCEPT FOR THE SPECIAL WARRANTY OF DEFENSIBLE TITLE IN THE ASSIGNMENT, FROM AND AFTER CLOSING, THIS SECTION 8 CONTAINS BUYER'S EXCLUSIVE REMEDY AGAINST SELLER AND ANY MEMBER OF THE SELLER GROUP WITH RESPECT TO BREACHES OF THE REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF THE PARTIES IN THIS AGREEMENT AND OTHERWISE WITH RESPECT TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT AND THE ASSETS. EXCEPT FOR THE REMEDIES SPECIFIED IN THIS SECTION 8 THE SPECIAL WARRANTY OF DEFENSIBLE TITLE IN THE ASSIGNMENT, EFFECTIVE AS OF CLOSING, BUYER, ON ITS OWN BEHALF AND ON BEHALF OF THE BUYER GROUP HEREBY RELEASES, REMISES AND FOREVER DISCHARGES THE SELLER GROUP FROM ANY AND ALL PROCEEDINGS, CLAIMS AND DAMAGES WHATSOEVER, IN LAW OR IN EQUITY, KNOWN OR UNKNOWN, ABSOLUTE OR CONTINGENT, WHICH BUYER GROUP MIGHT NOW OR SUBSEQUENTLY MAY HAVE, BASED ON, RELATING TO, OR ARISING OUT OF THE ASSETS OR THE OWNERSHIP, USE OR OPERATION THEREOF PRIOR TO CLOSING, OR THE CONDITION, QUALITY, STATUS OR NATURE OF ANY OF THE ASSETS PRIOR TO CLOSING, INCLUDING BREACHES OF STATUTORY OR IMPLIED WARRANTIES, NUISANCE OR OTHER TORT ACTIONS, RIGHTS TO PUNITIVE DAMAGES, COMMON LAW RIGHTS OF CONTRIBUTION AND RIGHTS UNDER INSURANCE MAINTAINED BY SELLER GROUP.

(d) The indemnity of each Party provided in this Section 8 shall be for the benefit of and extend to each person included in the Seller Group and the Buyer Group, as applicable; *provided, however*, that any claim for indemnity under this Section 8 by any such person must be brought and administered by a Party to this Agreement (at such Party's sole discretion).

(e) THE PARTIES AGREE THAT ANY INDEMNITY, DEFENSE AND/OR RELEASE OBLIGATION ARISING UNDER THIS AGREEMENT SHALL APPLY WITHOUT REGARD TO THE NEGLIGENCE (GROSS OR OTHERWISE), STRICT LIABILITY OR OTHER FAULT OF THE INDEMNIFIED PARTY, WHETHER ACTIVE, PASSIVE, JOINT, CONCURRENT, COMPARATIVE, CONTRIBUTORY OR SOLE, OR ANY PRE-EXISTING CONDITION, ANY BREACH OF CONTRACT OR BREACH OF WARRANTY OR VIOLATION OF ANY LEGAL REQUIREMENT, EXCEPT TO THE EXTENT SUCH DAMAGES WERE OCCASIONED BY THE WILLFUL MISCONDUCT OF THE INDEMNIFIED PARTY OR ANY GROUP MEMBER THEREOF. THE FOREGOING IS A SPECIFICALLY BARGAINED FOR ALLOCATION OF RISK AMONG THE PARTIES, WHICH THE PARTIES AGREE AND ACKNOWLEDGE SATISFIES ANY APPLICABLE EXPRESS NEGLIGENCE RULE AND/OR CONSPICUOUSNESS REQUIREMENT (OR SIMILAR RULES OR REQUIREMENTS) UNDER APPLICABLE LAW.

(f) For United States federal income Tax purposes, the Parties shall treat any amounts paid pursuant to Section 4 or this Section 8 as an adjustment to the Purchase Price.

9. **Due Diligence Review; Access to Files, Records and Systems**. From the execution of this Agreement and until the Closing date, Seller shall (a) allow Buyer reasonable access to its files relating to the Assets and the Records in Seller's possession (i) electronically via a virtual data site, to be established upon the execution of this Agreement, with respect to all hydrocarbon marketing contracts that constitute Material Contracts and all Material Contracts and title opinions pertaining to the Wells set forth on Schedule 9, and (ii) at its offices during normal business hours following reasonable prior written notice, in each case, to examine the Assets, production records, operational records and the Records, and (b) use its reasonable best efforts to provide Buyer the opportunity to conduct a physical inspection of the Assets during normal business hours following reasonable prior written notice. Notwithstanding the provisions of this Section 9, Buyer's investigation shall be conducted in a manner that minimizes interference with the operation of the business of Seller and any applicable third parties. Additionally, in order to effect an orderly transition of the ownership and administration of the Assets at Closing, the Parties shall work together in good faith from and after the execution of this Agreement until the Closing date so that Buyer may establish such systems, files, decks, and other records necessary to own and administer the Assets immediately upon the occurrence of Closing, and in furtherance thereof, Seller agrees to use commercially reasonable efforts to provide Buyer with such information (including files, records, systems, and paydecks, among others) as may be reasonably requested by Buyer, in each case, solely to the extent that any such information is in Seller's possession or control. If this Agreement is terminated at any time prior to Closing for any reason whatsoever, Buyer agrees to destroy and/or return any information or other materials provided by Seller pursuant to this Section 9.

10. **Specific Performance**. Prior to Closing, Seller and Buyer acknowledge that the remedies at law or in equity of Buyer for a breach or threatened breach of this Agreement may be inadequate and, in recognition of this fact, Buyer, without posting any bond or the necessity or proving the inadequacy as a remedy of monetary damages, and in addition to all other remedies that may be available, shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy that may then be available.

11. **Title Defect Notices; Title Defect Adjustments**.

(a) *Certain Title Defect Terms*. Appendix I is hereby incorporated by reference.

(b) *Title Defect Notices*. On or before 5:00 p.m., Central Time, on August 26, 2019 (the "Defect Claim Date"), Buyer shall deliver claim notices to Seller meeting the requirements of this Section 11 (collectively, the "Title Defect Notices," and each individually, a "Title Defect Notice") setting forth any matters that, in Buyer's reasonable and good faith opinion, constitute Title Defects. For all purposes of this Agreement and notwithstanding anything herein to the contrary, other than matters which may be asserted pursuant to the special warranty of Defensible Title in the Assignment, Buyer shall be deemed to have waived, and Seller shall have no liability for, any Title Defect or other title matter that Buyer fails to assert as a Title Defect in a sufficient Title Defect Notice received by Seller on or before the Defect Claim Date. To be effective, each Title Defect Notice shall be in writing and shall include: (i) a description of the alleged Title Defect, (ii) identification of the individual Well (and any associated Assets) affected by the Title Defect (each such Asset, a "Title Defect Property"), (iii) the Allocated Value of each Title Defect Property, (iv) supporting documents which are reasonably necessary for

Seller to verify the existence of the alleged Title Defect, and (v) the Title Defect Amount proposed by Buyer and the computations (with supporting detail) upon which such proposed Title Defect Amount is based. To give Seller an opportunity to commence reviewing and curing Title Defects, Buyer agrees to provide Seller weekly written notice of all Title Defects discovered by Buyer during the preceding period after the date the Agreement is signed and prior to delivery of such notice, which notice may be supplemented on or prior to the Defect Claim Date; *provided, however*, that any failure to provide any such written notice shall not be a limitation or modification of Buyer's rights or remedies of any kind under this Agreement or any document delivered in connection herewith.

(c) *Seller's Right to Cure*. Notwithstanding anything to the contrary herein, Seller shall have the right, but not the obligation, to attempt, at its sole cost, to cure to Buyer's reasonable satisfaction, at any time prior to the expiration of ninety (90) days following the Closing (the "Cure Period"), any Title Defects of which it has timely received a Title Defect Notice from Buyer by providing written notice to Buyer of its election to cure no later than two (2) days prior to the Closing date. If a Title Defect Property is retained by Seller pursuant to Section 11(d)(iii) and Seller thereafter fully cures to Buyer's reasonable satisfaction the Title Defect for which such exclusion was made prior to the expiration of the Cure Period, then, within five (5) business days after the expiration of the Cure Period, subject to any other provisions of this Agreement, such Title Defect Property (or portion thereof) that was previously excluded shall again be subject to the terms of this Agreement and Buyer shall pay to Seller an amount equal to the Allocated Value of such Title Defect Property and, contemporaneously with Buyer's payment, Seller shall convey to Buyer such previously excluded Title Defect Property (or portion thereof) pursuant to an assignment instrument substantially in the form and substance of Exhibit G.

(d) *Remedies for Title Defects*. Subject to (w) Seller's continuing right to dispute the existence of a Title Defect and/or the Title Defect Amount asserted with respect thereto, (x) the Individual Title Defect Threshold, (y) the Aggregate Deductible, and (z) Seller's ongoing right to cure any Title Defect under Section 11, whether before, at or after Closing, if any Title Defect timely asserted by Buyer in accordance with Section 11(b) is not cured by Closing, then in connection with the Closing, Seller shall, at its sole option and discretion, elect one of the following remedies for such Title Defect:

(i) Seller will convey the entirety of the Title Defect Property that is subject to such Title Defect, which Seller has not elected to cure, to Buyer, together with all associated Assets, at Closing, and make an accompanying reduction to the Purchase Price by the Title Defect Amount proposed by Buyer in its Title Defect Notice;

(ii) Seller will convey the entirety of the Title Defect Property that is subject to such Title Defect, which Seller has elected to cure pursuant to Section 11(c), to Buyer, together with all directly associated Assets, at Closing, and the applicable Title Defect Amount shall be retained in the Escrow Account (or if any such Title Defect Amount(s) exceed the balance of the Escrow Account, Buyer shall deliver the amount of such excess to the Escrow Agent at the Closing) (the Escrow Account, for such purposes, the

"Defect Escrow"), with the difference between the Allocated Value of the Title Defect Property and the applicable Title Defect Amount being paid to Seller at Closing. To the extent at any time prior to the end of the Cure Period, Seller cures any Title Defect to Buyer's reasonable satisfaction, the Parties shall instruct the Escrow Agent to remit the applicable amount in the Defect Escrow to Seller within ten (10) days after Seller cures such Title Defect. To the extent Seller fails to cure (or only partially cures) any Title Defect prior to the end of the Cure Period to Buyer's reasonable satisfaction, the Parties shall instruct the Escrow Agent to remit the applicable amount(s) in the Defect Escrow to Buyer, or, in the event of a partial cure, to the applicable Party, within ten (10) days after the end of the Cure Period. Any disputes over the existence of Title Defect(s), the extent of the cure of such Title Defect(s) or the Title Defect Amount(s) shall be subject to resolution in accordance with Section 5 of Appendix I; or

(iii) If the Title Defect Amount for such Title Defect equals the Allocated Value of such Title Defect Property, retain the entirety of the Title Defect Property that is subject to such Title Defect, together with all directly associated Assets (in which case, such Assets shall become Excluded Assets hereunder), and reduce the Purchase Price by an amount equal to the Allocated Value of such Title Defect Property (and directly associated Assets that are so excluded).

(e) *Title Threshold and Deductible*. Notwithstanding anything herein to the contrary, (i) in no event shall there be any adjustments to the Purchase Price or any other remedy provided by Seller hereunder for any individual Title Defect for which the Title Defect Amount applicable thereto does not exceed [***] Dollars ($[***]) per Title Defect Property (the "Individual Title Defect Threshold"); and (ii) in no event shall there be any adjustments to the Purchase Price or any other remedy provided by Seller hereunder for any Title Defect for which the Title Defect Amount applicable thereto exceeds the Individual Title Defect Threshold unless and until (A) the sum of (1) the Title Defect Amounts of all such Title Defects that exceed the Individual Title Defect Threshold, in the aggregate (excluding any Title Defect Amounts attributable to Title Defects cured by Seller to Buyer's reasonable satisfaction), *plus* (2) the Remediation Amounts of all Environmental Defects that exceed the Individual Environmental Defect Threshold, in the aggregate (excluding any Remediation Amounts attributable to Environmental Defects cured or Remediated by Seller to Buyer's reasonable satisfaction), exceeds (B) [***] percent ([***]%) of the unadjusted Purchase Price (the "Aggregate Deductible"), in which case Buyer shall be entitled to remedies for such Title Defects to the extent, but only to the extent, that the Title Defect Amounts with respect thereto are in excess of such Aggregate Deductible.

(f) *EXCLUSIVE REMEDY.* THE PROVISIONS OF SECTION 11(d) AND THE SPECIAL WARRANTY OF DEFENSIBLE TITLE IN THE ASSIGNMENT SHALL BE THE EXCLUSIVE RIGHT AND REMEDY OF BUYER WITH RESPECT TO ANY TITLE DEFECT OR OTHER TITLE MATTERS. BUYER HEREBY EXPRESSLY WAIVES ANY AND ALL OTHER RIGHTS OR REMEDIES WITH RESPECT THERETO.

12. **Environmental Defects**.

(a) *Certain Environmental Defect Terms*. Appendix II is hereby incorporated by reference.

(b) *Assertions of Environmental Defects*. On or before the Defect Claim Date, Buyer shall deliver claim notices to Seller meeting the requirements of this Section 12 (collectively, the "Environmental Defect Notices", and each individually, an "Environmental Defect Notice") setting forth any matters that constitute Environmental Defects. For all purposes of this Agreement and notwithstanding anything herein to the contrary, the provisions of Section 8(b)(ii), Section 12(d) and Section 14(k) shall be the exclusive right and remedy of Buyer with respect to any Environmental Defect or other environmental, health or safety matters and Buyer shall be deemed to have waived, and Seller shall have no liability for, any environmental, health or safety matters, including any Environmental Defect, that Buyer fails to assert as an Environmental Defect in a reasonably sufficient Environmental Defect Notice received by Seller on or before the Defect Claim Date. To be effective, each Environmental Defect Notice shall be in writing, and shall include (i) a description of the alleged Environmental Defect (including the applicable Environmental Law(s) violated thereby), (ii) identification of the Asset(s) affected by the alleged Environmental Defect (each such Asset, as applicable, an "Environmental Defect Property"), (iii) the Allocated Value of each Environmental Defect Property, (iv) supporting documents which are reasonably necessary for Seller to verify the existence of the alleged Environmental Defect, and (v) a calculation (with supporting detail) of the Remediation Amount that Buyer asserts is attributable to the alleged Environmental Defect. To give Seller an opportunity to commence reviewing and curing Environmental Defects, Buyer agrees to provide Seller weekly written notice of all Environmental Defects discovered by Buyer during the preceding period after the date the Agreement is signed and prior to delivery of such notice, which notice may be supplemented on or prior to the Defect Claim Date; *provided, however*, that any failure to provide any such written notice shall not be a limitation or modification of Buyer's rights or remedies of any kind under this Agreement or any document delivered in connection herewith. Buyer's calculation of the Remediation Amount included in the Environmental Defect Notice shall endeavor to describe in reasonable detail the Remediation proposed for the Environmental Condition that gives rise to the asserted Environmental Defect.

(c) *Seller's Right to Remediate*. Notwithstanding anything to the contrary herein, Seller shall have the right, but not the obligation, to attempt, at its sole cost, to Remediate to Buyer's reasonable satisfaction, at any time prior to the end of the Cure Period, any Environmental Defect of which it has timely received an Environmental Defect Notice from Buyer by providing written notice to Buyer of its election to Remediate no later than two (2) days prior to the Closing date. In the event that an Environmental Defect Property is retained by Seller pursuant to Buyer's election of the remedy set forth in Section 12(d)(iii) and Seller thereafter fully Remediates to Buyer's reasonable satisfaction, during the Cure Period, the Environmental Defect for which such exclusion was made, then within five (5) business days after the expiration of the Cure Period, subject to any other provisions of this Agreement that would require the exclusion of such Asset, such Environmental Defect Property (or portion thereof) that was previously excluded

shall again be subject to the terms of this Agreement and Buyer shall pay to Seller an amount equal to the Allocated Value of such Environmental Defect Property, and, contemporaneously with Buyer's payment, Seller shall convey to Buyer such previously excluded Environmental Defect Property (or portion thereof) pursuant to an assignment instrument substantially in the form and substance of Exhibit G.

(d) *Remedies for Environmental Defects*. Subject to (w) Seller's continuing right to dispute the existence of an Environmental Defect and/or the Remediation Amount asserted with respect thereto, (x) the Individual Environmental Defect Threshold, (y) the Aggregate Deductible, and (z) Seller's ongoing right to Remediate any Environmental Defect under Section 12(c), if any Environmental Defect timely asserted by Buyer in accordance with Section 12(b) is not Remediated by Closing, then in connection with the Closing, Seller shall, at its sole option and discretion, elect one of the following remedies for such Environmental Defect; *provided*, *however*, if the Remediation Amount for any such Environmental Defect affecting an Asset equals or exceeds [***] percent ([***]%) of the Allocated Value of such Environmental Defect Property, Buyer may separately elect to exclude the Environmental Defect Property that is subject to such Environmental Defect in its entirety, together with all associated Assets (in which case, such Assets shall become Excluded Assets hereunder), and make an accompanying reduction to the Purchase Price by an amount equal to the Allocated Value of such Environmental Defect Property and such associated Assets that are so excluded:

(i) Seller will convey the entirety of the Environmental Defect Property that is subject to such Environmental Defect, which Seller has not elected to Remediate, to Buyer, together with all associated Assets, at Closing, and make an accompanying reduction to the Purchase Price by the Remediation Amount for such Environmental Defect agreed to by the Parties or otherwise determined pursuant to Appendix II;

(i i) Seller will convey the entirety of the Environmental Defect Property that is subject to such Environmental Defect, in which Seller has elected to Remediate pursuant to Section 12(c), to Buyer, together with all directly associated Assets, at Closing, and the applicable Remediation Amount shall be retained in the Defect Escrow (or if any such Remediation Amount(s) exceed the balance of the Defect Escrow, Buyer shall deliver the amount of such excess to the Escrow Agent at the Closing), with the difference between the Allocated Value of the Environmental Defect Property and the applicable Remediation Amount being paid to Seller at Closing. To the extent at any time prior to the end of the Cure Period, Seller Remediates any Environmental Defect to Buyer's reasonable satisfaction, the Parties shall instruct the Escrow Agent to remit the applicable amount(s) in the Defect Escrow to Seller within ten (10) days after Seller Remediates such Environmental Defect. To the extent Seller fails to Remediate (or only partially Remediates) any Environmental Defect prior to the end of the Cure Period to Buyer's reasonable satisfaction, the Parties shall instruct the Escrow Agent to remit the applicable amount(s) in the Defect Escrow to Buyer, or, in the event of a partial Remediation, to the applicable Party, within ten (10) days after the end of the Cure Period. Any disputes over the existence of Environmental Defect(s), the extent of the Remediation of such Environmental Defect(s)

or the Remediation Amount(s) shall be subject to resolution in accordance with Section 5 of Appendix I; or

(iii) Seller will retain the entirety of the Environmental Defect Property that is subject to such Environmental Defect, together with all directly associated Assets (in which case, such Assets shall become Excluded Assets hereunder), and reduce the Purchase Price by an amount equal to the Allocated Value of such Environmental Defect Property and such directly associated Assets.

If the option set forth in clause (i) above is selected, subject to Seller's right to Remediate any Environmental Defect under Section 12(c), (x) Buyer shall be deemed to have assumed responsibility for all costs and expenses attributable to the Remediation of the applicable Environmental Defect and all liabilities with respect thereto, and (y) Buyer's obligations with respect to the foregoing shall be deemed to constitute Assumed Obligations. If Seller elects to attempt to Remediate any Environmental Defect pursuant to Section 12(c), Seller shall implement such Remediation in a manner which is consistent with the requirements of Environmental Laws for the type of Remediation that Seller elects to undertake in accordance with the terms of this Agreement and Buyer, effective as of the Closing, to the extent necessary, hereby grants to Seller and its representatives access to (x) the Assets to conduct such Remediation and (y) any utilities located on the Assets in order to undertake such Remediation; provided that such access does not unreasonably interfere with Buyer's ownership and operation of the Assets.

(e) *EXCLUSIVE REMEDY.* THE PROVISIONS OF SECTION 8(B)(II), SECTION 12(D) AND SECTION 14(K) SHALL BE THE EXCLUSIVE RIGHT AND REMEDY OF BUYER WITH RESPECT TO ANY ENVIRONMENTAL DEFECT OR OTHER ENVIRONMENTAL, HEALTH OR SAFETY MATTERS. BUYER HEREBY EXPRESSLY WAIVES ANY AND ALL OTHER RIGHTS OR REMEDIES WITH RESPECT THERETO.

(f) *Environmental Threshold and Deductible*. Notwithstanding anything herein to the contrary, (i) in no event shall there be any adjustments to the Purchase Price or any other remedy provided by Seller hereunder for any individual Environmental Defect for which the Remediation Amount applicable thereto does not exceed [***] Thousand Dollars ($[***]) (the "Individual Environmental Defect Threshold") and (ii) in no event shall there be any adjustments to the Purchase Price or any other remedy provided by Seller hereunder for any Environmental Defect for which the Remediation Amount applicable thereto exceeds the Individual Environmental Defect Threshold unless and until (A) the sum of (1) the Remediation Amounts of all such Environmental Defects that exceed the Individual Environmental Defect Threshold, in the aggregate (excluding any Remediation Amounts attributable to Environmental Defects Remediated by Seller to Buyer's reasonable satisfaction) *plus* (2) the Title Defect Amounts of all Title Defects that exceed the Individual Title Defect Threshold, in the aggregate (excluding any Title Defect Amounts attributable to Title Defects cured by Seller to Buyer's reasonable satisfaction) exceeds (B) the Aggregate Deductible, in which case Buyer shall be entitled to remedies for such Environmental Defects only to

the extent that the Remediation Amounts with respect thereto are in excess of such Aggregate Deductible.

13. **NORM, Wastes and Other Substances**. Buyer acknowledges that the Assets have been used for exploration, development and production of oil and gas and that there may be petroleum, produced water, wastes or other substances or materials located in, on or under the Assets or associated with the Assets. Equipment and sites included in the Assets may contain asbestos, naturally occurring radioactive material ("NORM") or other hazardous materials. NORM may affix or attach itself to the inside of wells, materials and equipment as scale, or in other forms. The Wells, materials and equipment located on the Lands or included in the Assets may contain NORM and other wastes or hazardous materials. NORM containing material and/or other wastes or hazardous materials may have come in contact with various environmental media, including water, soils or sediment. Special procedures may be required for the assessment, remediation, removal, transportation or disposal of environmental media, wastes, asbestos, NORM and other hazardous materials from the Assets. Notwithstanding anything herein to the contrary, Buyer shall not be permitted to claim any Environmental Defect on the account of the presence of NORM on the Assets or the properties underlying the Assets.

14. **Seller's Representations and Warranties**. Seller represents and warrants as of the date of execution and as of the Closing date that:

(a) Seller is duly qualified to do business in each jurisdiction where the Assets are located. This Agreement (and transactions contemplated hereunder) has been duly and validly authorized by all necessary limited partnership action on the part of Seller and constitutes the legal, valid and binding obligation of Seller.

(b) Neither the execution and delivery of this Agreement by Seller nor the consummation or performance of the transaction contemplated hereby by Seller shall (i) contravene, conflict with or result in a violation of any provision of the organizational or other governing documents of Seller, (ii) contravene, conflict with or result in a violation of any resolution adopted by the board of managers or members (or similar governing body) of Seller or (iii) contravene, conflict with or result in a violation of, or give any governmental authority or other person the right to challenge the transaction contemplated hereby, to terminate, accelerate or modify any terms of, or to exercise any remedy or obtain any relief under, any agreement or any legal requirement or order to which Seller may be subject.

(c) Seller has incurred no obligation, contingent or otherwise, for any brokers', finders', or consultants' fees for which Buyer will be liable.

(d) Except as set forth on Schedule 14(d), there is no material uncured violation of any applicable law (excepting Environmental Laws and Tax Laws) with respect to the ownership and operation of the Assets.

(e) There are no bankruptcy, reorganization or receivership proceedings pending, being contemplated by or, to Sellers' knowledge, threatened against Seller or any affiliate of Seller, and Seller is not insolvent or generally not paying its debts when they become due.

(f) Except for any customary post-Closing consents or as set forth on Schedule 14(f), there are no preferential rights to purchase or Required Consents in respect of the Assets that Seller will convey to the Buyer under this Agreement.

(g) Exhibit C sets forth all Contracts relating to the Assets which are (i) agreements of or binding upon Seller to sell, lease, assign, farmout, exchange or otherwise dispose of any of the Assets after the Effective Time other than conventional rights of reassignment arising in connection with Seller's surrender or release of any of the Assets; (ii) joint operating agreements, unit operating agreements, area of mutual interest agreements and farmout and farmin agreements; (iii) Unit or pooling agreements, declarations and orders; (iv) midstream rights, participation agreements, joint exploration or development agreements or non-competition (and similar) agreements; (v) hydrocarbon sales, marketing, storage, treatment, transportation, gathering, processing and similar midstream agreements in each case that are not terminable on sixty (60) days' or less notice; (vi) agreements containing unperformed commitments to drill additional wells or participate in material field operations; (vii) salt water disposal agreements; (viii) agreements relating to the Assets which could reasonably be expected to obligate Seller to expend in excess of Fifty Thousand Dollars ($50,000) (net to its interest) in any calendar year; (ix) any agreements relating to the Assets which could reasonably be expected to result in aggregate revenues to Seller in excess of Fifty Thousand Dollars ($50,000) (net to its interest) in any calendar year, (x) agreements with drilling carry or other carry obligations, (xi) agreements between Seller, on the one hand, and any affiliate of Seller, on the other hand, that will not be terminated at or prior to Closing, and (xii) limited partnership or tax partnership agreements (all such Contracts, the "Material Contracts"). Further, to Seller's knowledge, (i) all Contracts set forth on Exhibit C are in full force and effect, and (ii) no Party is in material default or breach of any such Contract. Seller has provided Buyer access to all hydrocarbon marketing contracts that constitute Material Contracts and all Material Contracts pertaining to the Wells set forth on Schedule 9.

(h) Except as set forth on Schedule 14(h), with respect to the Assets as of the Effective Time, there are no over-production or under-production or over-deliveries or under-deliveries with respect to hydrocarbons produced from or allocated to the Assets, regardless of whether such over-production or under-production or over-deliveries or under-deliveries arise at the wellhead, pipeline, gathering system, transportation system, processing plant, or other location, including any imbalances under gas balancing or similar agreements, imbalances under production handling agreements, imbalances under processing agreements, imbalances under the Leases, and imbalances under gathering or transportation agreements (collectively, "Imbalances").

(i) Schedule 14(i) sets forth, as of the date of this Agreement, all approved authorizations for expenditures and other approved capital commitments, individually equal to or greater than Fifty Thousand Dollars ($50,000) (net to Seller's interest) (the "AFEs") relating to the Assets, and which are binding on the owner of the Assets following the Effective Time, to drill or rework any Wells or for other capital expenditures for which all of the activities anticipated in such AFEs have not been completed by the Effective Time.

(j) Except as disclosed on Schedule 14(j), and except with respect to Taxes there is no suit, action or litigation pending, or to Seller's knowledge, threatened, before any governmental authority or arbitrator with respect to the Assets (whether or not Seller is a named party) or that seeks to enjoin or prohibit any transaction contemplated by this Agreement or any document to be delivered in connection herewith, and to Seller's knowledge, no suit, action or litigation relating to the Assets has been threatened against Seller or the Assets.

(k) Except as set forth on Schedule 14(k), (a) there are no actions, suits or proceedings pending, or to Seller's knowledge, threatened in writing, before any governmental body or arbitrator with respect to the Assets alleging material violations of, or material liabilities under, Environmental Laws, or claiming remediation obligations, (b) Seller has received no notice from any governmental body or other person of any alleged or actual material violation or non-compliance with, or material liability under, any Environmental Law or of material non-compliance with the terms or conditions of any environmental permits, arising from, based upon, associated with or related to the Assets or the ownership thereof, and (c) to Seller's knowledge, there is no uncured material violation by Seller of any Environmental Laws with respect to Seller's ownership of the Assets.

(l) Except as set forth on Schedule 14(l), with respect to all Taxes related to the Assets: (a) all reports, returns, statements (including estimated reports, returns or statements), and other similar filings (the "Tax Returns") relating to the Assets required to be filed with respect to such Taxes have been timely filed with the appropriate governmental body in all jurisdictions in which such Tax Returns are required to be filed; (b) such Tax Returns are true and correct in all material respects, (c) all Taxes with respect to the Assets that are or have become due have been timely paid in full; (d) there are not currently in effect any extensions or waivers of any statute of limitations of any jurisdiction regarding the assessment or collection of any such Tax; (e) there are no extensions of time to file any Tax Returns with respect to the Assets currently in effect, (f) there are no administrative proceedings or lawsuits pending or threatened in writing against the Assets or against Seller with respect to the Assets by any taxing authority; and (g) there are no Tax liens on any of the Assets except for liens for current period Taxes not yet due and payable. None of the Assets is subject to any tax partnership agreement or otherwise treated, or required to be treated, as held in an arrangement requiring a partnership income Tax Return to be filed under Subchapter K of Chapter 1 of Subtitle A of the Internal Revenue Code of 1986, as amended (the "Code"). For purposes of this Agreement, "Taxes" means (a) any federal, state, county, local, foreign and other taxes, fees, imposts, levies, or other governmental charges in the nature of a tax, including deficiencies, interest, additions to tax and penalties with respect thereto and (b) any liability in respect of any item described in clause (a) that arises by reason of a contract, assumption, transferee or successor liability, or operation of law (including by reason of participation in a consolidated, combined or unitary Tax Return).

(m) Except as set forth on Schedule 14(m), there is no actual or, to Seller's knowledge, threatened taking (whether permanent, temporary, whole or partial) of any part of the Lands by reason of condemnation or the threat of condemnation.

(n) Schedule 14(n) sets forth a true and complete list of all bonds, letters of credit, guarantees and other forms of credit support currently maintained, posted or otherwise provided by Seller or its affiliates to any governmental authority or under any Contract and relating to the Assets or Assumed Obligations (the "Credit Support").

(o) Except for suspense amounts listed on Schedule 14(o), which sets forth a list and description of all funds held in suspense by Seller and due and owing to any person or entity as of the Effective Time, all royalties, overriding royalties, net profits interests, rentals, working interest payments and other similar burdens that are due and owing by Seller or, to Seller's knowledge, by any third party, have been and are being paid in full in accordance with all applicable Leases, Contracts, applicable law and other applicable obligations.

(p) All Wells have been drilled and completed in accordance with and within the limits permitted by all applicable Leases, Contracts, and laws. There is no Well or Equipment located on the Lands that Seller has a present obligation to plug, dismantle and/or abandon.

(q) Seller has applied for or otherwise acquired and maintained all applicable Permits necessary to conduct operations on the Assets in material compliance with all applicable laws.

(r) Except as set forth on Schedule 14(r), there are no calls on production under existing Contracts.

To the extent that Seller has made any representations or warranties in connection with matters relating to any Assets which are not operated by Seller or its affiliates, each and every such representation and warranty shall be deemed to be qualified by the phrase, "to Seller's knowledge." Seller's representations and warranties set forth in this Section 14 shall survive the Closing of the transaction contemplated hereby for a period of eighteen (18) months from the Closing date and shall thereafter terminate and have no further force or effect, except for (i) Section 14(a), Section 14(b) and Section 14(c) (collectively, the "Fundamental Representations"), which shall survive without time limit and (ii) Section 14(l), which shall survive until thirty (30) days after the applicable statute of limitations has expired. For the purposes of this Agreement, "knowledge" means (i) with respect to the Seller, the actual knowledge (without due inquiry or investigation) of the following Persons: Michael Mercer (President and CEO), Ryan Stash (Vice President and CFO), and Terry Wagstaff (Vice President - Acquisitions and Engineering); and with respect to the Buyer, the actual knowledge (without due inquiry or investigation) of Daniel T. Reineke, Jr.

15. **Buyer's Representations and Warranties**. Buyer represents and warrants as of the date of execution and as of the Closing date that:

(a) Buyer is duly qualified to do business in each jurisdiction where the Assets are located. This Agreement (and transactions contemplated hereunder) has been duly and validly authorized by all necessary limited liability company action on the part of Buyer and constitutes the legal, valid and binding obligation of Buyer.

(b) Buyer has incurred no obligation, contingent or otherwise, for any brokers', finders' or consultants' fees for which Seller will be liable.

(c) There are no bankruptcy, reorganization or receivership proceedings pending, being contemplated by or, to Buyer's knowledge, threatened against Buyer or any affiliate of Buyer, and Buyer is not insolvent or generally not paying its debts when they become due.

(d) Neither the execution and delivery of this Agreement by Buyer nor the consummation or performance of the transaction contemplated hereby by Buyer shall (i) contravene, conflict with or result in a violation of any provision of the organizational or other governing documents of Buyer, (ii) contravene, conflict with or result in a violation of any resolution adopted by the board of managers or members (or similar governing body) of Buyer or (iii) contravene, conflict with or result in a violation of, or give any governmental authority or other person the right to challenge the transaction contemplated hereby, to terminate, accelerate or modify any terms of, or to exercise any remedy or obtain any relief under, any agreement or any legal requirement or order to which Buyer may be subject.

(e) There is no suit, action or litigation by any person by or before any governmental authority, and no arbitration proceedings, (in each case) pending, or to Buyer's knowledge, threatened, against Buyer, that would have the effect of preventing, delaying, making illegal or otherwise interfering with Buyer's ability to consummate the transactions contemplated by this Agreement or perform its obligations hereunder.

(f) Buyer has, or will have as of the Closing date, sufficient cash, available lines of credit or other sources of immediately available funds to enable it to (i) deliver the amounts due at the Closing, (ii) take such actions as may be required to consummate the transaction contemplated hereby and (iii) timely pay and perform Buyer's obligations under this Agreement. Buyer expressly acknowledges that the failure to have sufficient funds shall in no event be a condition to the performance of its obligations hereunder, and in no event shall the Buyer's failure to perform its obligations hereunder be excused by failure to receive funds from any source.

(g) Buyer is an accredited investor, as such term is defined in Regulation D of the Securities Act of 1933, as amended, and will acquire the Assets for its own account and not with a view to a sale or distribution thereof in violation of the Securities Act of 1933, as amended, and the rules and regulations thereunder, any applicable state blue sky laws or any other applicable securities laws.

(h) Buyer is sophisticated in the evaluation, purchase, ownership and operation of oil and gas properties and related facilities. In making its decision to enter into this Agreement and to consummate the transaction contemplated hereby and thereby, except to the extent of Seller's express representations and warranties in Section 14 and the special warranty of Defensible Title as set forth in the Assignment with respect to the Assets, Buyer has relied or shall rely on its own independent investigation and evaluation of the Assets, which investigation and evaluation was done by Buyer and its own legal, Tax, economic, environmental, engineering, geological and geophysical advisors. In entering into this Agreement, Buyer acknowledges that it has relied solely upon the aforementioned investigation and

evaluation and not on any factual representations or opinions of Seller or any representatives or consultants or advisors engaged by or otherwise purporting to represent Seller or any affiliate of Seller (except the specific representations and warranties of Seller set forth in Section 14 and the special warranty of Defensible Title in the Assignment with respect to the Assets). Buyer hereby acknowledges that, other than the representations and warranties made in Section 14 and the special warranty of Defensible Title in the Assignment with respect to the Assets, neither Seller nor any representatives, consultants or advisors of Seller or its affiliates make or have made any representation or warranty, express or implied, at law or in equity, with respect to the Assets.

Buyer's warranties and representations set forth in this Section 15 shall survive without time limit.

16. **Seller's Conditions to Close**. The obligations of Seller to consummate the transactions provided for herein is subject, at the option of Seller, to the fulfillment by Buyer or waiver by Seller, on or prior to the Closing of each of the following conditions precedent:

(a) The representations and warranties of Buyer set forth in Section 15 shall be true and correct in all material respects as of the Closing (except with respect to the representations and warranties that are qualified by terms such as material, material adverse effect or other terms or dollar amounts of similar import or effect, which shall be true in all respects) as though made on and as of the Closing.

(b) Buyer shall have materially performed or complied with all obligations, agreements, and covenants contained in this Agreement as to which performance or compliance by Buyer is required prior to or at the Closing.

(c) No material suit, action, or other proceeding instituted by any person (other than Seller or any affiliate of Seller) shall be pending before any governmental authority seeking to restrain, prohibit, or declare illegal, or seeking substantial damages in connection with, the transactions contemplated by this Agreement. No order, award or judgment shall have been issued by any governmental authority or arbitrator to restrain, prohibit, enjoin or declare illegal, or awarding substantial damages in connection with, the transactions contemplated by this Agreement, and no law, statute, rule, regulation or other requirement has been promulgated or enacted and is in effect, that on a temporary or permanent basis restrains, enjoins or invalidates the transactions contemplated by this Agreement.

(d) An authorized officer of Buyer shall have executed and delivered (or be ready, willing and able to deliver at Closing) a certificate dated as of the Closing date certifying on behalf of Buyer that the conditions set forth in Section 16(a) and 16(b) have been fulfilled by Buyer.

(e) Buyer shall have executed and delivered (or be ready, willing and able to deliver at Closing) to Seller the documents and other items, including the adjusted Purchase Price, required to be delivered by Buyer under Section 18.

If the sum of all (i) Title Defect Amounts, (ii) Remediation Amounts and (iii) downward Purchase Price adjustments under Section 21(p) exceeds twenty percent (20%) of the unadjusted Purchase Price, Seller may, at its sole discretion, terminate this Agreement.

17. **Buyer's Conditions to Close**. The obligations of Buyer to consummate the transactions provided for herein is subject, at the option of Buyer, to the fulfillment by Seller or waiver by Buyer, on or prior to the Closing of each of the following conditions:

(a) The representations and warranties of Seller set forth in Section 14 shall be true and correct in all material respects as of the Closing (except with respect to the representations and warranties that are qualified by terms such as material, material adverse effect or other terms or dollar amounts of similar import or effect, which shall be true in all respects) as though made on and as of the Closing.

(b) Seller shall have materially performed or complied with all obligations, agreements, and covenants contained in this Agreement as to which performance or compliance by Seller is required prior to or at the Closing.

(c) No material suit, action, or other proceeding instituted by any person (other than Buyer or any affiliate of Buyer) shall be pending before any governmental authority seeking to restrain, prohibit, enjoin, or declare illegal, or seeking substantial damages in connection with, the transactions contemplated by this Agreement. No order, award or judgment shall have been issued by any governmental authority or arbitrator to restrain, prohibit, enjoin or declare illegal, or awarding substantial damages in connection with, the transactions contemplated by this Agreement, and no law has been promulgated or enacted and is in effect, that on a temporary or permanent basis restrains, enjoins or invalidates the transactions contemplated by this Agreement.

(d) An authorized officer of Seller shall have executed and delivered (or be ready, willing and able to deliver at Closing) a certificate dated as of the Closing date certifying on behalf of the Seller that the conditions set forth in Section 17(a) and 17(b) have been fulfilled by Seller.

(e) Seller shall have executed and delivered (or be ready, willing and able to deliver at Closing) to Buyer the documents and other items required to be delivered by Seller under Section 18.

If the sum of all (i) Title Defect Amounts, (ii) Remediation Amounts, (iii) downward Purchase Price adjustments under Section 21(p) and (iv) downward Purchase Price adjustments under Section 21(q) exceeds twenty percent (20%) of the unadjusted Purchase Price, Buyer may, at its sole discretion, terminate this Agreement.

18. **Closing**. Closing shall occur on September 10, 2019 (the "Closing"), or on such other date as Seller and Buyer may agree upon in writing. For purposes of this Agreement, the term "business day" shall mean any day other than a Saturday, Sunday or legal holiday on which banks located in Houston, Texas are open for business. At Closing, (a) Buyer shall pay to Seller the Purchase Price (as adjusted, if applicable, under Section 4) via wire transfer of immediately available funds, (b) the Parties shall issue joint written instructions to the Escrow Agent to pay the Deposit (and any interest earned thereon) to Seller, (c) Seller will execute and deliver an assignment, conveyance and bill of sale covering the Assets in the form attached hereto as Exhibit G (the "Assignment"), together with any other instrument or document (*e.g.*, Bureau of Indian Affairs or Bureau of Land Management assignment forms), (d) the Parties shall take such further actions as may be reasonably necessary or reasonably requested by a Party to evidence and effectuate the transaction contemplated by

this Agreement, (e) Seller shall prepare, with Buyer's reasonable assistance and cooperation, for delivery to any operator of the Assets, letters in lieu of division orders, (f) Buyer shall obtain replacements for the Credit Support with respect to the Assets and Buyer shall provide evidence of the posting of such replacement Credit Support with all applicable contractual counterparties or governmental authorities meeting the requirements of such authorities, (g) Seller will execute and deliver a recordable release in a form reasonably acceptable to Buyer of any trust, mortgages, financing statements, fixture filings and security agreements, in each case, securing indebtedness for borrowed money made by Seller or its affiliates affecting the Assets, (h) each of Buyer and Seller shall execute and deliver its respective officer's certificate contemplated by Section 16(d) and Section 17(d), as applicable, and (i) Seller shall deliver an executed statement described in Treasury Regulation §1.1445-2(b)(2) certifying that Seller (or its regarded owner, if Seller is an entity disregarded as separate from its owner) is neither a disregarded entity nor a foreign person within the meaning of the Code, as amended, and Treasury Regulations promulgated thereunder. The Closing shall be held at the offices of Seller, or at such other location or through such other methods as may be mutually agreed upon by Seller and Buyer.

19. **Taxes**.

(a) All required documentary, filing and recording fees and expenses in connection with the filing and recording of the assignments (including the Assignment), conveyances or other instruments required to convey title to the Assets to Buyer shall be borne by Buyer. Buyer shall be responsible for, and shall bear and pay, all sales, use, transfer, stamp, registration and similar Taxes (including any applicable interest or penalties) incurred or imposed with respect to the transactions described in this Agreement (the "Transfer Taxes"). Buyer and Seller shall reasonably cooperate in good faith to minimize, to the extent permissible under applicable law, the amount of any such Transfer Taxes. Seller shall bear and pay, all ad valorem, property, excise, severance, production, sales, use and similar Taxes (including any interest, fine, penalty or additions to Tax imposed by a government authority in connection with such Taxes) based upon ownership of the Assets or production of hydrocarbons or the receipt of proceeds therefrom (for the avoidance of doubt, excluding any Transfer Taxes) (collectively, the "Asset Taxes") assessed with respect to the ownership of the Assets for (i) any period ending prior to the Effective Time, and (ii) with respect to any Tax period beginning before and ending after the Effective Time (a "Straddle Period"), the portion of such Straddle Period ending immediately prior to the date on which the Effective Time occurs. All Asset Taxes arising on or after the Effective Time (including all Asset Taxes for the portion of any Straddle Period beginning on the date on which the Effective Time occurs) shall be allocated to and borne by Buyer. To the extent the actual amount of any Asset Taxes described in this Section 19 is not known at the time an adjustment is to be made with respect to such Asset Tax pursuant to Section 4, as applicable, Buyer and Seller shall utilize the most recent information available in estimating the amount of such Asset Taxes for purposes of such adjustment. Upon determination of the actual amount of Asset Taxes, payments will be made to the extent necessary to cause the appropriate Party to bear the Asset Taxes allocable to such Party under this Section 19 (without duplication of any amounts that were reflected as an adjustment to the Purchase Price). For purposes of allocation between the Parties of Asset Taxes: (A) Asset Taxes that are attributable to the severance or production of hydrocarbons or

otherwise imposed on a transactional basis (other than Asset Taxes described in clause (B) below) shall be allocated to the period in which the severance, production or other transaction giving rise to such Asset Taxes occurred; and (B) Asset Taxes that are ad valorem, property or other Asset Taxes imposed on a periodic basis with respect to a Straddle Period shall be allocated pro rata per day between the portion of such Straddle Period ending immediately prior to the date on which the Effective Time occurs (which shall be Seller's responsibility) and the portion of such Straddle Period beginning on the date on which the Effective Time occurs (which shall be Buyer's responsibility). For purposes of clause (A) of the preceding sentence, any exemption, deduction, credit or other item that is calculated on an annual basis shall be allocated pro rata per day between the period ending immediately prior to the date on which the Effective Time occurs and the period beginning on the date on which the Effective Time occurs.

(b) With respect to Tax periods ending prior to the Effective Time, Seller shall be responsible for preparing all Tax Returns for Asset Taxes that are required to be filed after the Closing. Buyer shall be responsible for preparing all Tax Returns for Asset Taxes that are required to be filed after the Closing for all Straddle Periods. All such Tax Returns shall be prepared by Seller or Buyer, as applicable, on a basis consistent with past practice except to the extent otherwise required by applicable law. The preparing Party shall provide the other Party with a copy of any Tax Return prepared pursuant to this Section 19(b) for such other Party's review at least ten (10) days prior to the due date for the filing of such Tax Return (or within a commercially reasonable period after the end of the relevant taxable period, if such Tax Return is required to be filed less than ten (10) days after the close of such taxable period). Buyer shall be responsible for filing such Tax Returns (as revised to incorporate the reasonable comments of Seller and Buyer, as applicable) and paying the Asset Taxes reflected on such Tax Returns, subject to Buyer's right of reimbursement for any Asset Taxes for which Seller is responsible under Section 19(a), except to the extent such Asset Taxes were reflected as an adjustment to the Purchase Price. Buyer shall indemnify and hold Seller harmless for any failure to file such Tax Returns and to make such payments to the extent the amount of Taxes imposed exceeds the amount of Taxes that would have been imposed absent such failure.

(c) Each Party shall cooperate fully, as and to the extent reasonably requested by any other Party, in connection with the filing of any Tax Returns, state and federal regulatory reports, royalty payments including related deduction and any audit, litigation or other proceeding with respect to Taxes.

(d) Seller shall be entitled to any and all refunds of Asset Taxes allocated to Seller pursuant to Section 19(a), and Buyer shall be entitled to any and all refunds of Asset Taxes allocated to Buyer pursuant to Section 19(a). If a Party receives a refund of Asset Taxes to which the other Party is entitled pursuant to this Section 19(d), the first Party shall promptly pay such amount to the other Party, net of any reasonable costs or expenses incurred by the first Party in procuring such refund.

(e) Seller shall deliver to Buyer a proposed schedule with an allocation of the Purchase Price (and any liabilities assumed by Buyer under this Agreement or other amounts that are treated as consideration for United States federal income Tax purposes) among the Assets in accordance with Section 1060 of the Code (the "Tax

Allocation") within ninety (90) days after the Closing date. If Buyer has any reasonable objections to the Tax Allocation, Buyer shall deliver to Seller a statement setting forth its reasonable objections thereto (an "Allocation Objections Statement") within fifteen (15) days of Buyer's receipt of the proposed Tax Allocation. If an Allocation Objections Statement is not delivered to Seller within fifteen (15) days of Buyer's receipt of the Tax Allocation, the Tax Allocation delivered by Seller shall be deemed final. If an Allocation Objections Statement is delivered by Buyer to Seller within such fifteen (15) day period, Buyer and Seller shall negotiate in good faith to resolve any such objections, but if they do not reach a final resolution within thirty days after the delivery of the Allocation Objections Statement, such objections shall be resolved by the Independent Expert in accordance with the procedures set forth in Section 5 of Appendix I. Buyer and Seller shall use their commercially reasonable efforts to cause the Independent Expert to resolve all disagreements as soon as practicable with respect to the disputed items set forth in the Allocation Objections Statement. The resolution of the dispute by the Independent Expert shall be final. The Tax Allocation, as deemed final, as agreed to by the Parties or as determined by the Parties or as determined by the Independent Expert, shall be revised to take into account any adjustments to the Purchase Price (with any disputes resolved in accordance with the foregoing provisions) and Seller and Buyer each agree to prepare, and to cause their respective affiliates to prepare all Tax Returns, including Form 8594 (Asset Acquisition Statement under Section 1060 of the Code), in a manner consistent with the Tax Allocation, and the Parties shall not take any position inconsistent therewith on any Tax Return or in connection with any Tax audit, claim or similar proceeding unless required to do so by any applicable law after notice to and discussions with the other Party, or with such other Party's prior consent; *provided, however*, that neither Party shall be unreasonably impeded in its ability and discretion to negotiate, compromise and/or settle any Tax audit, claim or similar proceedings in connection with such Tax Allocation.

(f) Each of Seller and Buyer shall have the right, prior to the Closing, to elect to effect a tax-deferred exchange under Internal Revenue Code Section 1031 (a "Tax Deferred Exchange") for the Assets. If a Party elects to effect a Tax Deferred Exchange, the other Party agrees to reasonably cooperate in completing such exchange, including executing escrow instructions, documents, agreements or instruments to effect the exchange; *provided*, *however*, that the other Party shall incur no additional costs, expenses, fees or liabilities as a result of or connected with the Tax Deferred Exchange. Each of Seller and Buyer, as the case may be, may assign any of its rights and delegate performance of any of its duties under this Agreement in whole or in part to a third party in order to effect such an exchange; *provided*, *however*, that each of Seller and/or Buyer shall remain responsible to the other Party for the full and prompt performance of its respective delegated duties. The electing Party shall indemnify and hold the other Party and its affiliates harmless from and against all claims, expenses (including reasonable attorneys' fees), loss and liability resulting from its participation in any exchange undertaken pursuant to this Section 19(f) pursuant to the request of the electing Party.

(g) Buyer will be entitled to deduct and withhold from the consideration otherwise payable to Seller pursuant to this Agreement such amounts as are required to be deducted and withheld under the Code, under any Tax law or pursuant to any other

applicable legal requirement; *provided, however*, that Buyer shall notify Seller of its intention to do so reasonably in advance of such deduction or withholding (other than withholding as a result of the failure of Seller to provide the certificate in clause (i) of Section 18), and the Parties shall cooperate in good faith to minimize the amount of any such deduction or withholding. To the extent that amounts are so deducted or withheld and paid over to the appropriate governmental authority, such amounts will be treated for all purposes of this Agreement as having been paid to Seller.

20. **Termination**.

(a) Subject to Section 20(b), this Agreement may be terminated at any time prior to the consummation of the Closing upon the occurrence of any one or more of the following:

(i) by mutual written agreement of Seller and Buyer;

(ii) by Seller or Buyer if the other Party has materially breached this Agreement and such breach causes any of the conditions to close of the non-breaching Party set forth in Sections 16 and 17, respectively, not to be satisfied as of Closing; *provided, however*, that in the case of a breach that is capable of being cured, the breaching Party shall have until the earlier of (A) ten (10) days following notice of breach to attempt to cure the breach and (B) one (1) business day prior to the Outside Date;

(iii) by Seller or Buyer, pursuant to the last paragraph of Section 16 or 17, respectively or by Buyer pursuant to Section 21(k); or

(iv) by Seller or Buyer if the closing shall not have occurred on or before October 1, 2019 (the "Outside Date");

provided, however, that neither Party shall have the right to terminate this Agreement pursuant to clause (ii), (iii) or (iv) if such Party is at such time in material breach of any provision of this Agreement.

(b) Remedies.

(i) If Seller has the right to terminate this Agreement pursuant to (A) Section 20(a)(ii) or (B) Section 20(a)(iv) in a situation where the conditions to closing set forth in Section 17 have been satisfied or waived in writing by Buyer (excluding conditions that by their terms, cannot be satisfied until the Closing), and Seller has performed or is ready, willing and able to perform all of its agreements and covenants contained herein which are to be performed or observed at or prior to the Closing, then Seller shall, as its sole and exclusive remedy, be entitled to terminate this Agreement and cause the Parties to promptly instruct the Escrow Agent to pay the Deposit (plus any interest earned thereon) to Seller as liquidated damages. THE PARTIES RECOGNIZE THAT ACTUAL DAMAGES FOR BUYER'S BREACH WOULD BE DIFFICULT TO ASCERTAIN WITH REASONABLE CERTAINTY AND THAT THE DEPOSIT WOULD BE REASONABLE LIQUIDATED DAMAGES FOR SUCH BREACH.

(ii) If Buyer has the right to terminate this Agreement pursuant to (A) Section 20(a)(ii) or (B) Section 20(a)(iv) in a situation where the conditions to Closing set forth in Section 16 have been satisfied or waived in writing by Seller (excluding conditions that by their terms, cannot be satisfied until the Closing), and Buyer has performed or is ready, willing and able to perform all of its agreements and covenants contained herein which are to be performed or observed at or prior to the Closing, then Buyer shall, as its sole and exclusive remedy, be entitled to (x) terminate this Agreement and cause the Parties to promptly instruct the Escrow Agent to pay the Deposit (plus any interest earned thereon) to Buyer, or (y) in lieu of terminating this Agreement, seek specific performance, along with any other available remedies at law or in equity.

(iii) If this Agreement terminates for reasons other than those set forth in Section 20(b)(i), then (A) the Parties shall have no liability or obligation hereunder as a result of such termination, (B) the Parties shall promptly instruct the Escrow Agent to pay the Deposit (plus any interest earned thereon) to Buyer (except if this Agreement is terminated by Seller as described in the introductory paragraph), and (C) Seller shall be free immediately to enjoy all rights of ownership of the Assets and to sell, transfer, encumber or otherwise dispose of the Assets to any person without any restriction under this Agreement. If Buyer first seeks specific performance under clause (ii), but is unable to recover therefor from a court of competent jurisdiction, the Buyer may thereafter elect to terminate this Agreement and pursue its other remedy under clause (ii). The following provisions shall survive termination: Sections 8, 9, 14(c), 15(b), 20(b), 21(d), 21(f), 21(g) and 21(h).

21. **Miscellaneous**. The Parties further agree as follows:

(a) *Assignment*. Neither Party shall assign its rights or obligations under this Agreement without the prior written consent of the other Party, which consent may be withheld for any reason in the sole discretion of the non-assigning Party; *provided*, *however*, that Buyer shall have the right to assign its rights and obligations under this Agreement (in whole or in part) to any of its affiliates if such assignment by Buyer shall not relieve Buyer of any of its obligations hereunder.

(b) *Governing Law; Venue; Jury Waiver*. This Agreement shall be governed and construed in accordance with the laws of the State of Texas, excluding any conflicts of law principles; *provided*, *however*, that any matters related to real property shall be governed by the laws of the state in which the applicable real property is located. Each of the Parties consent to the exercise of jurisdiction in personam by the United States Federal District Courts or State Courts located in Houston, Harris County, Texas. EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE ASSIGNMENT OR ANY TRANSACTION CONTEMPLATED HEREBY OR THEREBY.

(c) *Amendment.* This Agreement may be amended only by written instrument executed by both Parties.

(d) *Confidentiality.* The Parties shall keep this Agreement and their negotiations with respect to the Assets strictly confidential and, without the prior written consent of the other Party, shall not disclose the same to any third person or Party other than to their respective affiliates and such Party's and its affiliates' respective officers, directors, managers, members, employees, agents, advisors, attorneys, consultants and representatives. The Parties shall be entitled to disclose the terms of this Agreement with marketing companies with which the Parties have prior dedications covering the Lands and any holders of preferential rights to purchase or consents to assign rights that are triggered by this transaction.

(e) *Counterparts; Treatment as Original.* This Agreement may be executed in one (1) or more counterparts, each of which will be deemed an original and all of which together shall constitute the same agreement, and any signature hereto delivered by a Party by facsimile or other electronic transmission (*e.g.*, email) shall be deemed an original signature hereto for all purposes.

(f) *Press Release*. If any Party wishes to make a press release or other public announcement respecting this Agreement or the transactions hereby, such Party will provide the other Party with a draft of the press release or other public announcement for review at least one (1) business day prior to the time that such press release or other public announcement is to be made. The Parties will attempt in good faith to expeditiously reach agreement on such press release or other public announcement and the contents thereof. Failure to agree or to provide comments back to the other Party within one (1) business day of receipt of the draft release or announcement will be deemed consent to the public disclosure of such press release or other public announcement and the content thereof, so long as the reviewing Party's name is not included in the release or announcement. Seller and Buyer shall each be liable for the compliance of their respective affiliates with the terms of this Section 21(f). No Party shall issue a press release or other public announcement that includes the name of a non-releasing Party or its affiliates without the prior written consent of such non-releasing Party (which consent may be withheld in such non-releasing Party's sole discretion). Notwithstanding anything in this Section 21(f) to the contrary, nothing in this Section 21(f) shall prohibit any Party from issuing or making a public announcement or statement if such Party deems it necessary to do so in order to comply with any applicable law, or the rules of any stock exchange upon which such Party's or such Party's affiliate's capital stock is traded; *provided*, *however*, to the extent reasonably practicable, prior written notification shall be given to the other Party prior to any such announcement or statement.

(g) *Notices*. All communications required or permitted under this Agreement shall be in writing and any communication or delivery hereunder shall be deemed to have been fully made if (i) actually delivered, if mailed by registered or certified mail, postage prepaid, (ii) delivered by recognized overnight courier service or (iii) sent by electronic mail, read receipt requested, in each case, to the address as set forth below:

SELLER

EV Properties, L.P.
1001 Fannin Street, Suite 750
Houston, Texas 77002
Attention: Michael E. Mercer
Email: mmercer@hvstog.com

with a copy to (which shall not constitute notice):

Kirkland & Ellis LLP
609 Main Street, Suite 4500
Houston, Texas 77002
Attention: Rahul Vashi
E-mail: rahul.vashi@kirkland.com

BUYER

BCE-Mach II LLC
14201 Wireless Way
Oklahoma City, Oklahoma 73102-7103
Attention: Daniel T. Reinecke, Jr.
Email: dreineke@machresources.com

with a copy to (which shall not constitute notice):

BCE-Mach II LLC
14201 Wireless Way
Oklahoma City, Oklahoma 73102-7103
Attention: Michael E. Reel
Email: mreel@machresources.com

with a copy to (which shall not constitute notice):

Willkie Farr and Gallagher LLP
600 Travis St., Suite 2100
Houston, Texas 77002
Attention: Cody R. Carper
E-mail: ccarper@willkie.com

(h) *Disclosures with Multiple Applicability; Materiality*. If any fact, condition, or matter disclosed by Seller on an Exhibit and/or Schedule applies to more than one (1) provision of this Agreement, the single disclosure of such fact, condition or matter on Seller's Exhibits and/or Schedules shall constitute disclosure with respect to the other provisions of this Agreement to the extent expressly referenced therein.

(i) *Limitation on Damages*. NOTWITHSTANDING ANYTHING CONTAINED IN THIS AGREEMENT TO THE CONTRARY, EXCEPT IN CONNECTION WITH ANY DAMAGES INCURRED BY THIRD PARTIES FOR WHICH INDEMNIFICATION IS SOUGHT UNDER THE TERMS OF THIS

AGREEMENT, NO MEMBER OF BUYER GROUP OR SELLER GROUP SHALL BE ENTITLED TO (AND EACH SUCH MEMBER WAIVES) CONSEQUENTIAL, SPECIAL, INDIRECT, PUNITIVE OR EXEMPLARY DAMAGES, OR DAMAGES FOR LOST PROFITS OF ANY KIND, IN CONNECTION WITH EITHER THIS AGREEMENT, THE ASSIGNMENT DELIVERED AT CLOSING OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

(j) *Time*. Time is of the essence in this Agreement. Without limiting the generality of the foregoing, this Agreement contains a number of dates and times by which performance or the exercise of rights is due, and the Parties intend that each and every such date and time be the firm and final date and time, as agreed herein.

(k) *Casualty Loss*. Notwithstanding anything herein to the contrary, from and after the execution of this Agreement, if Closing occurs, Buyer shall assume all risk of loss with respect to the depreciation of Assets due to ordinary wear and tear. If, after the execution of the Agreement but prior to or on the Closing date, any portion of the Assets are destroyed by fire, explosion, hurricane, storm, weather events, earthquake, act of nature, civil unrest, or similar disorder, terrorist acts, war or any other hostilities or other casualty or is expropriated or taken in condemnation or under right of eminent domain by any governmental entity, whether or not fixed or repaired or in any way remediated (each a "Casualty Loss"), Buyer and Seller shall nevertheless be required to proceed with Closing. Notwithstanding such Casualty Loss, in the event of any such Casualty Loss, at the Closing, Seller shall pay to Buyer all sums paid to Seller by third parties by reason of the destruction or taking of such Assets, including any sums paid pursuant to any policy or agreement of insurance or indemnity, and shall assign, transfer and set over unto Buyer all of the rights, titles and interests of Seller in and to any claims, causes of action, unpaid proceeds or other payments from third parties, including any policy or agreement of insurance or indemnity, arising out of such destruction or taking. Notwithstanding anything to the contrary contained in this paragraph, if prior to the Closing, Assets having an aggregate Allocated Value constituting more than twenty percent (20%) of the Purchase Price are damaged or destroyed by fire or other casualty, or taken in condemnation or under the right of eminent domain, or proceedings for such purpose are pending or threatened, Buyer shall have the right to terminate this Agreement.

(l) *References and Rules of Construction*. All references in this Agreement to Appendices, Exhibits, Schedules, Articles, Sections, subsections and other subdivisions refer to the corresponding Appendices, Exhibits, Schedules, Articles, Sections, subsections and other subdivisions of or to this Agreement unless expressly provided otherwise. Titles appearing at the beginning of any Appendices, Articles, Sections, subsections and other subdivisions of this Agreement are for convenience only, do not constitute any part of this Agreement, and shall be disregarded in construing the language hereof. The words "this Agreement," "herein," "hereby" and "hereunder," and words of similar import, refer to this Agreement as a whole and not to any particular Appendix, Article, Section, subsection or other subdivision unless expressly so limited. The words "this Appendix," "this Article," "this Section" and "this subsection," and words of similar import, refer only to the Appendix, Article, Section or subsection hereof in which such words occur. Wherever the words "include," "includes" or "including"

are used in this Agreement, they shall be deemed to be followed by the words "without limiting the foregoing in any respect." All references to "$" or "Dollars" shall be deemed references to United States Dollars. Pronouns in masculine, feminine or neuter genders shall be construed to state and include any other gender, and words, terms and titles (including terms defined herein) in the singular form shall be construed to include the plural and vice versa, unless the context otherwise requires. The words "shall" and "will" are used interchangeably throughout this Agreement and shall accordingly be given the same meaning, regardless of which word is used.

(m) *No Recourse.* This Agreement may only be enforced against, and any claims or causes of action that may be based upon, arise out of or relate to this Agreement, may only be made against the entities that are expressly identified as Parties hereto in their capacities as such and no other party shall have any liability for any obligations or liabilities of the Parties to this Agreement or for any claim (whether in tort, contract or otherwise) based on, in respect of, or by reason of, the transactions contemplated hereby or in respect of any representations made or alleged to be made in connection herewith. Without limiting the rights of any Party against the other Parties hereto, in no event shall any Party or any of its affiliates seek to enforce this Agreement against, make any claims for breach of this Agreement against, or seek to recover monetary damages from, any non-Party to this Agreement.

(n) *Operation of Business.* Until Closing, Seller (a) will operate its business in the ordinary course consistent with past practices as a reasonably prudent operator, and (b) will not, without the prior written consent of Buyer, which consent shall not be unreasonably withheld, conditioned or delayed (except where otherwise provided):

(i) expend any funds, or make any commitments to expend funds (including entering into new agreements which would obligate Seller or Buyer to expend funds), or otherwise incur any other obligations or liabilities, in connection with the ownership of the Assets after the date hereof, other than routine expenses incurred in the normal operation of the existing wells on the Lands, except in the event of an emergency requiring immediate action to protect life or preserve the Assets;

(ii) except where necessary to prevent termination of an oil and gas lease or other material agreement covering Seller's interest in the Assets:

(1) propose to or agree to the drilling of additional wells, or propose the deepening, of any existing Wells;

(2) propose or agree to the conducting of any other operations which require consent under the applicable operating agreement;

(3) propose or agree to the conducting of any other operations other than the normal operation of the existing Wells on the Lands; or

(4) propose to or agree to the abandonment of any Wells on the Lands;

Seller agrees that it will promptly advise Buyer of any such proposals made by third parties and will not agree to any such proposal made by a third party unless the prior written consent of Buyer is obtained (which consent shall not be unreasonably withheld, delayed or conditioned);

(iii) commit to any operation, or series of related operations, reasonably anticipated by Seller to require future capital expenditures by the owner of the Assets in excess of Fifty Thousand Dollars ($50,000.00), net to Seller's working interest, or make any capital expenditures in excess of Fifty Thousand Dollars ($50,000.00), net to Seller's working interest, or voluntarily terminate, materially amend or extend any Material Contract listed on Exhibit C;

(iv) fail to maintain insurance coverage on the Assets presently furnished by nonaffiliated third parties in the amounts and of the types presently in force;

(v) fail to use commercially reasonable efforts to maintain in full force and effect all Leases;

(vi) fail to maintain all material governmental authorizations;

(vii) transfer, farmout, sell, hypothecate, encumber or otherwise dispose of any material Assets or material rights related thereto, except for sales and dispositions of hydrocarbon production and obsolete or worn out equipment made in the ordinary course of business consistent with past practices;

(viii) commit to do any of the foregoing;

(ix) without Buyer's written consent, make any non-consent elections with respect to operations affecting any of the Assets; and

(x) fail to promptly give Buyer notice of any written notice claiming any default or violation received or given by Seller under any Lease, contract or law affecting any Asset that would reasonably be expected to be material to the Assets, taken as a whole.

Buyer's approval of any action restricted by this Section 21(n) shall be considered granted within ten (10) business days (unless a shorter time is reasonably required by the circumstances and such shorter time is specified in Seller's written notice) of Seller's notice to Buyer requesting such consent unless Buyer notifies Seller to the contrary in writing during that period. In the event of an emergency, Seller may take such action as a prudent non-operator would take and shall notify Buyer of such action promptly thereafter. Buyer acknowledges that Seller may own an undivided interest in certain Assets and Buyer agrees that the acts or omissions of the other working interest owners who are not affiliated with Seller shall not constitute a violation of the provisions of this Section 21(n) nor shall any action required by a vote of working interest owners constitute such a violation so long as Seller has voted its interest in a manner consistent with the provisions of this Section 21(n).

(o) *Employment Matters*. Seller will use its reasonable best efforts to provide Buyer within two (2) business days of the execution of this Agreement with a list of the name, job title, and hourly rate or annual salary, as applicable, of any employees of EnerVest Operating, L.L.C. ("EVOC") or its affiliates whose jobs relate to the Assets and are available for hire by Buyer following the Closing of the transactions contemplated hereunder (the "Available Employees"). Seller shall provide a benefits summary to Buyer of benefits commonly provided to Available Employees by EVOC and/or its affiliates. From and after the date this Agreement is executed, Seller will use its reasonable best efforts to ensure that Buyer shall be permitted to meet with, interview, and make offers of employment (on terms determined by Buyer in its sole discretion) to Available Employees in connection with prospective employment with Buyer or its affiliates; *provided that*, (i) at least fourteen (14) days prior to the Closing date, Buyer shall provide each of Seller and EVOC with written notice of the Available Employees to which Buyer intends to make offers, (ii) all Available Employees to which offers are made will have at least five (5) days prior to the Closing date in which to accept or reject such offer of employment and (iii) such offers shall be contingent on the Closing of the transaction contemplated hereunder. Buyer is responsible for scheduling any meetings or interviews with the Available Employees. Any meetings or interviews between Buyer and Available Employees shall be scheduled at times and places that are not unreasonably inconvenient or disruptive to Seller, EVOC or its affiliates, with reasonable advance notice being provided to Seller and EVOC. It is understood that Buyer shall have no obligation to interview or make an offer of employment to any of the Available Employees. Any offers of employment to Available Employees shall be in writing (or an electronic document) with an identification of the employee's salary or hourly rate, bonus opportunity, any other incentive compensation, and benefits.

(p) *Preferential Purchase Rights*. Seller shall, no later than five (5) Business Days after the date of execution of this Agreement, provide all notices necessary to comply with or obtain the waiver of all preferential rights to purchase which are triggered by this transaction prior to the Closing date and in compliance with the contractual provisions applicable thereto. To the extent any such preferential rights to purchase are exercised by any holders thereof, then the Asset(s) subject to such preferential rights to purchase shall not be sold to Buyer and shall be retained by Seller, excluded from the Assets and sale under this Agreement and considered Excluded Assets. The Purchase Price shall be adjusted downward by the Allocated Value of the Asset(s) so retained. Additionally, on the Closing date, if the time period for exercising any preferential rights to purchase has not expired, but no notice of waiver (nor of the exercise of such preferential rights to purchase) has been received from the holder thereof, then the Asset(s) subject to such preferential rights to purchase shall be excluded from the Assets sold to Buyer at the Closing and be considered Excluded Assets, and the Purchase Price shall be adjusted downward by the Allocated Value of the Asset(s) so retained. After the Closing, if the holder of such preferential rights to purchase exercises the preferential rights to purchase, then Seller shall convey the affected Asset(s) to such party, and shall receive the consideration for such affected Asset(s) directly from such party. However, if (x) any holder of any such preferential right to purchase waives its preferential right to purchase in writing or if the time period for exercising such preferential right to purchase expires, or (y) the holder of a preferential right to purchase initially elects to exercise that preferential right to

purchase, but after the Closing date, refuses to consummate the purchase of the affected Asset(s), then, subject to the Parties' respective rights and remedies as to the obligation to consummate the transactions contemplated by this Agreement, Buyer shall purchase such Asset(s) for the Allocated Value thereof (subject to the adjustments pursuant to Section 4), and the closing of such transaction shall take place on a date reasonably designated by Seller not more than one hundred eighty (180) days after the Closing date. If such holder's refusal to consummate the purchase of the affected Asset(s) occurs prior to the Closing date, then, subject to the Parties' respective rights and remedies as to the obligation to consummate the transactions contemplated hereby, Buyer shall purchase the affected Asset(s) at the Closing in accordance with the terms of this Agreement.

(q) *Consents*. Seller shall, no later than five (5) Business Days after the date of execution of this Agreement, provide all notices required to comply with or obtain all consents in compliance with the contractual provisions applicable thereto required for the transfer of the Assets.

(i) If Seller fails to obtain any consent necessary for the transfer of any Asset to Buyer, Seller's failure shall be handled as follows:

(1) If the consent is not a consent with respect to which (a) there is a provision within the applicable instrument that such consent may be withheld in the sole and absolute discretion of the holder, or (b) there is provision within the applicable instrument expressly stating that an assignment in violation thereof (i) is void or voidable, (ii) triggers the payment of specified liquidated damages, or (iii) causes termination of the applicable Assets to be assigned (any consent in the foregoing clauses (a) or (b), a "Required Consent"); *provided* that, for the avoidance of doubt, "Required Consent" does not include any consent, which, by its terms, cannot be unreasonably withheld, (unless clause (b) of the preceding sentence applies), and has not been denied in writing, then the affected Assets shall nevertheless be conveyed at the Closing as part of the Assets. Any Damages that arise due to the failure to obtain such consent shall be borne by Buyer.

(2) If the consent is a Required Consent or a consent that has been denied in writing, the Purchase Price shall be adjusted downward by the Allocated Value of the affected Assets (which affected Assets shall include all Leases and Wells affected by the Contract or Lease for which a consent is refused or unobtained), and the affected Assets shall be treated as Excluded Assets.

(ii) Notwithstanding the provisions of Section 21(q), if Seller obtains a consent described in Section 21(q) within one hundred eighty (180) days after the Closing, then Seller shall promptly deliver conveyances of the affected Asset(s) to Buyer and Buyer shall pay to Seller an amount equal to the Allocated Value of the affected Asset(s) in accordance with wire transfer instructions provided by Seller (subject to the adjustments set forth in Section 4).

* * * * *

[Signature pages follow]

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of July 12, 2019.

SELLER

EV PROPERTIES, L.P.

By: EV Properties GP, LLC, its general partner

By: /s/ MICHAEL E. MERCER
Name: Michael E. Mercer
Title: President and Chief Executive Officer

BUYER

BCE-MACH II LLC

By: BCE-Mach Holdings II LLC,
its sole member

By: Bayou City Energy III, L.P.,
its sole member

By: Bayou City Energy GP III, L.P.,
its general partner

By: BCE Associates LLC,
its general partner

By: /s/ WILLIAM MCMULLEN
Name: William McMullen
Title: Managing Partner

APPENDIX I

1. ***Defensible Title***. "Defensible Title" shall mean title of Seller as of the Effective Time and immediately prior to the Closing that is deducible of record, subject to Permitted Encumbrances:

(a) with respect to the currently producing formation of each Well shown in Exhibit B, entitles Seller to receive not less than the NRI shown in Exhibit B for such Well (for the productive life of such Well), except for (1) decreases in connection with those operations in which Seller may from and after the execution of the Agreement elect to be a non-consenting co-owner subject to Section 21(n), (2) decreases resulting from the establishment or amendment of pools or units, (3) decreases required to allow other working interest owners to make up past underproduction or pipelines to make up past under-deliveries, to the extent set forth on Schedule 14(h), (4) decreases resulting from actions by Buyer, and (5) as otherwise stated in Exhibit B;

(b) with respect to the currently producing formation of each Well shown in Exhibit B, obligates Seller to bear a percentage of the costs and expenses for the development and maintenance of, and operations relating to, such Well of not more than the working interest shown in Exhibit B for such Well (for the productive life of such Well), except (1) increases resulting from contribution requirements with respect to defaulting co-owners from and after the Effective Time under applicable operating agreements, (2) increases to the extent that such increases are accompanied by a proportionate (or greater than proportionate) increase in Seller's NRI with respect to such Well, (3) increases resulting from actions by Buyer, (4) increases resulting from the establishment or amendment of pools or units in accordance with this Agreement and (5) as otherwise stated in Exhibit B; and

(c) with respect to each Asset, is free and clear of all encumbrances.

2. ***Net Revenue Interest***. "NRI" shall mean with respect to a Well, the decimal interest of Seller in and to all production of hydrocarbons produced and saved or sold from or allocated to such Well (limited to the currently producing formation of such Well), after giving effect to all royalties, overriding royalties, nonparticipating royalties, net profits interests, production payments, carried interests, reversionary interests and other burdens upon, measurable or payable out of production therefrom.

3. ***Permitted Encumbrances***. "Permitted Encumbrances" shall include:

(a) the terms and conditions of all Contracts, Leases (including with respect to (x) any Leases that have expired, or will expire, pursuant to their express terms, and (y) any portions of any Leases that are lost as the result of any vertical or horizontal "Pugh clauses" or other similar provisions contained therein) and burdens if the net cumulative effect of such Contracts, Leases and burdens does not operate to: (i) reduce the NRI of Seller with respect to any Well to an amount less than the NRI set forth in Exhibit B; (ii) obligate Seller to bear a working interest with respect to any Well in an amount greater than the working interest set forth in Exhibit B for such Well (unless the NRI for such Well is greater than the NRI set forth in Exhibit B in the same (or greater) proportion as any increase in such

working interest); or (iii) materially impair the operation or use of the Assets as currently operated and used or with respect to future development;

(b) preferential rights to purchase set forth on Schedule 14(f), any consents set forth on Schedule 14(f), any customary post-Closing consents, and any required notices to, or filings with, governmental authorities in connection with the consummation of the transactions contemplated by this Agreement;

(c) liens for Taxes or assessments not yet due or delinquent or, if delinquent, that are being contested in good faith by appropriate proceedings;

(d) conventional rights of reassignment upon final intention to abandon or release the Assets, or any of them;

(e) such Title Defects as Buyer has waived in writing or is deemed to have waived pursuant to the terms of this Agreement;

(f) all applicable permits and existing laws and all rights reserved to or vested in any governmental authority (i) to control or regulate any Asset in any manner; (ii) by the terms of any right, power, franchise, grant, license or permit, or by any provision of law, to terminate such right, power, franchise grant, license or permit or to purchase, condemn, expropriate or recapture or to designate a purchaser of any Asset; (iii) to use such property in a manner which does not materially impair the use of such property for the purposes for which it is currently owned and operated; or (iv) to enforce any obligations or duties affecting the Asset to any governmental authority with respect to any franchise, grant, license or permit;

(g) rights of a common owner of any interest in rights-of-way, permits or easements held by Seller and such common owner as tenants in common or through common ownership;

(h) easements, conditions, covenants, restrictions, servitudes, permits, rights-of-way, surface leases and other similar rights for the purpose of surface or other operations, facilities, pipelines, transmission lines, transportation lines, distribution lines, power lines, telephone lines and other like purposes, or for the joint or common use of the lands, rights-of-way, facilities and equipment, which, in each case, do not, individually or in the aggregate, materially impair the operation or use of the Assets as currently operated and used;

(i) vendors', carriers', warehousemens', repairmens', mechanics', workmens', materialmens', construction or other like liens arising by operation of law in the ordinary course of business or incident to the construction or improvement of any property in respect of obligations which are not yet due or that are being contested in good faith by appropriate proceedings by or on behalf of Seller;

(j) liens created under Leases, permits, easements, rights-of-way or Contracts, or by operation of law in respect of obligations that are not yet due or that are being contested in good faith by appropriate proceedings by or on behalf of Seller;

(k) any encumbrance affecting the Assets that is discharged by Seller at or prior to Closing or has been cured or remedied by applicable statutes of limitation or statutes of prescription;

(l) any matters set forth in Exhibit A, Exhibit B, Exhibit C or Exhibit D;

(m) calls on production under existing Contracts that can be terminated upon not more than sixty (60) days' notice;

(n) limitations (including drilling and operating limitations) imposed on the Assets by reason of the rights of subsurface owners or operators in a common property (including the rights of coal, utility and timber owners) which, in each case, do not, individually or in the aggregate, materially impair the operation or use of the Assets as currently operated and used;

(o) all depth restrictions or limitations applicable to any Asset or contained in any Leases or Contracts, which such restriction or limitation is expressly set forth in Exhibit B;

(p) zoning and planning ordinances and municipal regulations;

(q) defects in the chain of title consisting of the failure to recite marital status in a document or the omissions of (i) affidavits or similar instruments reflecting heirship or (ii) estate proceedings unless Buyer provides affirmative evidence that such failure or omission may result in another party's competing claim of title to the relevant Asset;

(r) defects arising out of lack of survey, unless a survey is expressly required by applicable laws;

(s) defects arising out of lack of corporate or other entity authorization in the public records, unless Buyer provides affirmative evidence that such corporate or other entity action or inaction results in another person's actual and superior claim of title to the relevant Asset;

(t) defects based on a gap in Seller's chain of title to any Asset in the applicable federal, state or county records, unless such gap (x) is affirmatively shown to exist in such records by an abstract of title, title opinion or landman's title chain or runsheet, or (y) provides a third party with a reasonable claim of superior title;

(u) defects based upon the failure to record any right-of-way included in the Assets or any assignments of interests in such rights-of-way included in the Assets in any applicable county records, unless such failure has resulted in another person's actual and superior claim of title to the relevant Asset;

(v) any encumbrance or loss of title resulting solely from Seller's conduct of business in compliance with Section 21(m) after the date of execution of this Agreement;

(w) defects based upon the failure to appropriately file pooling or unitization orders in the applicable county records;

(x) defects arising from any change in laws after the date hereof;

(y) defects that affect only which person has the right to receive royalty payments (rather than the amount of the proper payment of such royalty payment);

(z) defects arising from any encumbrance created by a mineral owner under a Lease (i) subsequent to the effective time of such Lease and (ii) which has not been subordinated to the lessee's interest, unless such encumbrance is a mortgage that is in default or under which foreclosure proceedings are pending or threatened;

(aa) defects based solely on: (i) lack of information in Seller's files, (ii) references to an unrecorded document dated earlier than the date Seller or its applicable affiliate acquired the affected Asset to which neither Seller nor any affiliate of Seller is a party, if such document is not in Seller's files, or (iii) any Tax assessment, Tax payment or similar records or the absence of such activities or records;

(bb) defects arising from any prior oil and gas lease relating to the Lands that are terminated, expired or invalid but not surrendered of record;

(cc) any maintenance of uniform interest provision, if the violation thereof would not give rise to the unwinding of the sale of the affected Asset; and

(dd) any matter that would not constitute a Title Defect under the terms of this Agreement.

4. ***Title Defects***; ***Title Defect Amounts***.

(a) A "Title Defect" shall mean any encumbrance or other matter that causes Seller not to have Defensible Title in and to any Asset; *provided* that Permitted Encumbrances shall not be considered Title Defects.

(b) The "Title Defect Amount" resulting from a Title Defect shall be the amount by which the Allocated Value of the affected Title Defect Property is reduced as a result of the existence of such Title Defect determined in accordance with the following:

(i) If the Title Defect is a deficiency in NRI and there is a proportionate decrease to the working interest for such Asset, the Title Defect Amount shall be equal to the product of (A) the Allocated Value of the affected Asset, *multiplied by*, (B) a fraction, (1) the numerator of which is the difference between Seller's actual NRI and the NRI set forth on Exhibit B for the Title Defect Property, and (2) the denominator of which is the NRI set forth on Exhibit B for such Title Defect Property;

(ii) If the Title Defect is a lien, encumbrance or other charge which is undisputed and liquidated in amount, then the Title Defect Amount shall be the amount necessary to be paid to remove the Title Defect from the affected Asset; and

(iii) If the Title Defect is not of the type described in subsection 4(b)(i) or 4(b)(ii) above, the Title Defect Amount shall be determined by taking into

account the Allocated Value of the Title Defect Property, the portion of the Title Defect Property affected by the Title Defect, the legal effect of the Title Defect, the reasonably anticipated cost to cure the Title Defect, the potential economic effect of the Title Defect over the life of the Title Defect Property and such other reasonable factors as are necessary to make a proper evaluation. The Title Defect Amount with respect to a Title Defect Property shall be determined without duplication of any costs or losses included in another Title Defect Amount hereunder.

(iv) Notwithstanding anything to the contrary in this Appendix I Section 4, the aggregate Title Defect Amounts attributable to the effects of all Title Defects upon any Title Defect Property (whether related to an adjustment to the Purchase Price or any other remedy provided by Seller hereunder) shall not exceed the Allocated Value of such Title Defect Property.

5. ***Independent Expert***.

(a) Any disputes regarding Title Defects, Environmental Defects, Title Defect Amount, Remediation Amount, appropriate cure of any Title Defect or Remediation of any Environmental Defect, or the Final Settlement Statement or other accounting matters that are not resolved within one hundred twenty (120) days following Closing may be submitted by a Party, with written notice to the other Party, to an independent expert (the "Independent Expert"), who shall serve as the sole and exclusive arbitrator of any such dispute. The Independent Expert shall be selected by Buyer and Seller (acting reasonably and in good faith) within fifteen (15) days following the effective date of said notice. The Independent Expert must (i) be a neutral party who has never been an officer, director or employee of or performed material work for a Party or any Party's affiliate within the preceding five (5)-year period and (ii) agree in writing to keep strictly confidential the specifics and existence of the dispute as well as all proprietary records of the Parties reviewed by the Independent Expert in the process of resolving such dispute. For any title matter, the Independent Expert must have not less than ten (10) years' experience as a lawyer with experience in oil and gas titles involving properties in the same geographic region in which the Assets are located. For any environmental matter, the Independent Expert must have not less than ten (10) years' experience in environmental matters involving oil and gas properties in the same geographic region in which the Assets are located. If disputes exist with respect to both title and environmental matters, the Parties will conduct separate arbitration proceedings with the title disputes and environmental disputes being submitted to separate Independent Experts. For any Final Settlement Statement or accounting matter, the Independent Expert shall be the Houston, Texas office of the American Arbitration Association.

(b) If Buyer and Seller fail to select an Independent Expert within the fifteen (15) day period referred to in Appendix I Section 5(a) above, within three (3) days thereafter, each of Buyer and Seller shall choose an Independent Expert meeting the qualifications set forth above, and such experts shall promptly choose a third Independent Expert (meeting the qualifications provided for herein) who alone shall resolve the disputes between Buyer and Seller. Buyer and Seller shall each bear its own costs and expenses incurred in connection with any such proceeding and one-half (1/2) of the costs and expenses of the Independent Expert.

(c) Disputes to be resolved by an Independent Expert shall be resolved in accordance with the Commercial Arbitration Rules of the AAA as supplemented to the extent necessary to determine any procedural appeal questions by the Federal Arbitration Act (Title 9 of the United States Code), but only to the extent such rules do not conflict with the terms of Appendix I and Appendix II, mutually agreed procedures and rules and, failing such agreement, in accordance with the rules and procedures for non-administered arbitration set forth in the commercial arbitration rules of the American Arbitration Association. The decision and award of the Independent Expert shall be binding upon the Parties and final and non-appealable to the maximum extent permitted by law and judgment thereon may be entered in a court of competent jurisdiction and enforced by any Party as a final judgment of such court.

(d) Within five (5) business days following the receipt by either Party of written notice of a dispute, the Parties will exchange their written description of the proposed resolution of the disputed matters. Provided that no resolution has been reached, within five (5) business days following the selection of the Independent Expert, the Parties shall submit to the Independent Expert the following: (i) this Agreement, (ii) Buyer's written description of the proposed resolution of the disputed matters, together with any relevant supporting materials, (iii) Seller's written description of the proposed resolution of the disputed matters, together with any relevant supporting materials, and (iv) the written notice of the dispute.

(e) The Independent Expert shall make its determination by written decision within fifteen (15) days following receipt of the materials (the "Independent Expert Decision"). The Independent Expert Decision with respect to the disputed matters shall be limited to the selection of the single proposal for the resolution of the aggregate disputed matters proposed by a Party that best reflects the terms and provisions of this Agreement (*i.e.*, the Independent Expert must select either Buyer's proposal or Seller's proposal for resolution of the aggregate disputed matters).

(f) The Independent Expert shall act as an expert for the limited purpose of determining the specific matters submitted for resolution herein and shall not be empowered to award damages, interest, or penalties to either Party with respect to any matter.

(g) All proceedings under Appendix I Section 5(a) above shall be conducted in Harris County, Texas.

APPENDIX II

1. ***Environmental Condition***. "Environmental Condition" shall mean a condition that (a) causes an Asset (or Seller with respect to an Asset) not to be in compliance with an Environmental Law or (b) requires, or will require once reported to a governmental authority, Remediation under applicable Environmental Laws. For the avoidance of doubt, (i) the fact that a Well is no longer capable of producing sufficient quantities of oil or gas to continue to be classified as a "producing well" or that such a Well should be temporarily abandoned or permanently plugged and abandoned, in each case, shall not form the basis of an Environmental Condition, (ii) the fact that a pipe is temporarily not in use shall not form the basis of an Environmental Condition, (iii) all losses, obligations and liabilities for plugging, decommissioning, removal of equipment, abandonment and restoration obligations of the Assets that arise by contract, lease terms or requested by any governmental authority shall not form the basis of an Environmental Condition and (iv) any condition, contamination, liability, loss, cost, expense or claim related to NORM or asbestos shall not form the basis of an Environmental Condition.

2. ***Environmental Defect***. "Environmental Defect" shall mean an Environmental Condition existing as of the Effective Time with respect to an Asset.

3. ***Environmental Laws***. "Environmental Laws" shall mean any applicable law (including common law), rule or regulation relating to (a) the protection of the environment or, regarding exposure to hazardous waste or materials, human health or safety, (b) the generation, handling, treatment, storage, disposal or transportation of hazardous waste or materials or (c) the spill, release or exposure to hazardous waste or materials.

4. ***Environmental Liabilities***. "Environmental Liabilities" shall mean all costs, damages, expenses, liabilities, obligations and other responsibilities arising from or under Environmental Laws, third party claims relating to the environment, or any other matter related to the environment and/or the condition of the Assets and which, in each case, relate to the Assets or the past, current or future ownership or operation of the same.

5. ***Remediation***. "Remediation" shall mean, with respect to any Environmental Condition, the implementation and completion of the minimum remedial, response, disposal or other corrective actions required under Environmental Laws to correct or remove such Environmental Condition.

6. ***Remediation Amount***. "Remediation Amount" shall mean, with respect to any Environmental Condition asserted in relation to an Environmental Defect Notice, the cost (net to Seller's interest in the Assets) of the most cost-effective Remediation of such Environmental Condition that is reasonably effective and available and in minimum compliance with Environmental Laws; *provided, however*, that "Remediation Amount" shall not include (a) the costs of Buyer's employees, or, if Seller is conducting the Remediation, Buyer's project manager(s) or attorneys, (b) expenses for matters that are ordinary costs of doing business regardless of the presence of an Environmental Condition, (c) overhead costs of Buyer and/or its affiliates, or (d) any expenses relating to the assessment, remediation or other corrective actions of any asbestos, asbestos-containing materials or NORM. The most cost-effective Remediation may include taking no action, leaving the condition unaddressed, periodic monitoring or the recording of notices in lieu of Remediation, if such responses are allowed under Environmental Laws. Notwithstanding anything to the contrary in this Agreement, the aggregate Remediation Amounts attributable to the effects of all Environmental Defects upon any Environmental Defect Property shall not exceed the Allocated Value of such Environmental Defect Property.

Exhibit 2.6

FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT

This First Amendment to Purchase and Sale Agreement (this "***Amendment***") is made as of September 10, 2019, by and between EV Properties, L.P., a Delaware limited partnership ("***Seller***") and BCE-Mach II LLC, a Delaware limited liability company ("***Buyer***"). Seller and Buyer are sometimes hereinafter referred to individually as a "***Party***" and collectively as the "***Parties***." Capitalized terms used but not defined in this Amendment shall have the meanings given to such terms in the Purchase Agreement (as hereinafter defined).

WHEREAS, Seller and Buyer are parties to that certain Purchase and Sale Agreement dated July 12, 2019 (as amended by this Amendment, the "***Purchase Agreement***"); and

WHEREAS, the Parties desire to amend the Purchase Agreement and to memorialize certain mutual agreements relating to certain transactions contemplated by the Purchase Agreement, as more specifically set forth in this Amendment.

NOW, THEREFORE, in consideration of the premises and of the mutual promises, representations, warranties, covenants, conditions and agreements contained herein and in the Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Amendment to Exhibit B of the Purchase Agreement**. Exhibit B to the Purchase Agreement is hereby deleted in its entirety and replaced with the Exhibit B attached hereto as Annex I.

2. **Amendment to Schedule 14(h) of the Purchase Agreement**. Schedule 14(h) to the Purchase Agreement is hereby deleted in its entirety and replaced with the Schedule 14(h) attached hereto as Annex II.

3. **Amendment to Schedule 14(n) of the Purchase Agreement**. Schedule 14(n) to the Purchase Agreement is hereby deleted in its entirety and replaced with the Schedule 14(n) attached hereto as Annex III.

4. **Amendment to Section 7(a) of the Purchase Agreement**. Section 7(a) of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

"From and after the Closing, but without limiting Buyer's right to indemnification under Section 8, Buyer shall assume and hereby agrees to fulfill, perform, pay and discharge (or cause to be fulfilled, performed, paid or discharged) all of the obligations and liabilities of Seller with respect to the Assets, regardless of whether such obligations or liabilities arose prior to, on or after the Effective Time, including, without limitation, any and all obligations or liabilities relating to the failure to post the replacement Credit Support (the "Specified Credit Support") on or before the Closing, Imbalances, suspense funds and plugging and abandonment obligations attributable to the Assets, Environmental Liabilities and all decommissioning liabilities, and including any and all Asset Taxes (all of said obligations and liabilities, herein being referred to as the "Assumed Obligations"); *provided*, *however*, that the Assumed Obligations do not include and Buyer does not assume any Specified Obligations."

5. **Amendment to clause (f) of Section 18 of the Purchase Agreement**. Clause (f) of Section 18 to the Purchase Agreement is hereby deleted in its entirety and replaced with "Buyer shall endeavor in good faith to obtain the Specified Credit Support as promptly as practicable following the Closing, and shall provide Seller with evidence of the posting of such Specified Credit Support promptly following the posting thereof."

6. **Compliance with the Purchase Agreement**. The Parties acknowledge that this Amendment complies with the requirements to alter or amend the Purchase Agreement, as stated in Section 21(c) of the Purchase Agreement. The Purchase Agreement, as amended herein, is ratified and confirmed, and all other terms and conditions of the Purchase Agreement not modified by this the Amendment shall remain in full force and effect. All references to the Purchase Agreement shall be considered to be references to the Purchase Agreement as modified by this Amendment.

7. **Incorporation**. The Parties acknowledge that this Amendment shall be governed by the terms of Section 21 of the Purchase Agreement and such provisions shall be incorporated herein, *mutatis mutandis*.

8. **Counterparts**. This Amendment may be executed in one (1) or more counterparts, each of which will be deemed an original and all of which together shall constitute the same agreement, and any signature hereto delivered by a Party by electronic transmission (*e.g.*, email) shall be deemed an original signature hereto for all purposes.

[*Signature pages follow*.]

IN WITNESS WHEREOF, the Parties have executed and delivered this Amendment as of the date first written above.

SELLER:

EV PROPERTIES, L.P.

By: EV Properties GP, LLC, its general partner

By: /s/ MICHAEL E. MERCER_____
Michael E. Mercer
President and Chief Executive Officer

BUYER:

BCE-MACH II LLC

By: BCE-Mach Holdings II LLC, its sole member
By: Bayou City Energy III, L.P., its sole member
By: Bayou City Energy GP III, L.P., its general partner
By: BCE Associates LLC, its general partner

By: /s/ WILLIAM MCMULLEN_____
Name: William McMullen
Title: Managing Partner

[Signature Page to the First Amendment to the Purchase and Sale Agreement]

Harvest Oil & Gas Completes Divestitures of Barnett Shale and Mid-Continent Assets, Announces Planned New Credit Facility and Initiation of Strategic Review Process

HOUSTON, September 16, 2019 (GLOBE NEWSWIRE) -- Harvest Oil & Gas Corp. (OTCQX: HRST) ("Harvest" or the "Company") today announced that it has completed the previously announced sales of Barnett Shale assets and certain Mid-Continent area assets located in the Anadarko Basin and SCOOP/STACK. In addition, the Company plans to enter into a new credit facility and is initiating a strategic review process.

Barnett Shale and Mid-Continent Area Divestitures

Harvest has completed the previously announced sale of substantially all of its interests in the Barnett Shale for $63.5 million, net of preliminary purchase price adjustments. The preliminary purchase price adjustments include a $6.4 million reduction in the purchase price paid at closing related to certain of the Company's interests that are not included in the initial closing but that are expected to be included in a subsequent closing in 2019. The Company also completed the previously announced sale of certain oil and gas properties in the Mid-Continent area located in the Anadarko Basin and SCOOP/STACK for $5.4 million, net of preliminary purchase price adjustments. UBS Investment Bank acted as financial advisor and Kirkland & Ellis LLP acted as legal advisor to Harvest on these transactions.

Harvest is currently considering alternatives to return net proceeds from these asset sales to shareholders, which could include dividends, distributions or share repurchases.

Planned New Credit Facility

Harvest has signed a commitment letter with Regions Bank to put in place a new revolving credit facility ("Credit Facility"), subject to certain funding conditions, that will provide the Company with reduced borrowing costs and increased flexibility to return capital to shareholders through dividends, distributions or share repurchases. The new Credit Facility will allow the Company to repurchase shares, which is prohibited under the terms of the current credit facility. The new Credit Facility is expected to close in the third quarter of 2019.

Initiation of Strategic Review Process

Harvest is undertaking a review of strategic alternatives and has engaged Intrepid Partners, LLC to assist the Company in this process. This comprehensive review will include, but not be limited to, the potential divestiture of additional assets or all of the Company's remaining assets as well as a potential sale or merger of the Company. Harvest will also be reviewing options to reduce its overall cost structure to more closely align with the pro forma asset base after the Barnett and Mid-Continent divestitures. Assisted by its legal and financial advisors, Harvest will consider all strategic alternatives, with the primary focus on maximizing shareholder value.

There can be no assurance that such evaluation will result in one or more transactions or other strategic change or outcome. The Company has not set a timetable for the conclusion of its evaluation of strategic alternatives, and it does not intend to comment further unless and until the Board has approved a specific course of action or the Company has otherwise determined that further disclosure is appropriate or required by law.

About Harvest Oil & Gas Corp.

Harvest is an independent oil and gas company engaged in the efficient operation and development of onshore oil and gas properties in the continental United States. The Company's assets consist primarily of producing and non-producing properties in the Barnett Shale, the Appalachian Basin (which includes the

Utica Shale), Michigan, the Mid-Continent areas in Oklahoma, Texas, Kansas and Louisiana, the Permian Basin and the Monroe Field in Northern Louisiana. More information about Harvest is available on the internet at https://www.hvstog.com.

Forward Looking Statements

This press release contains certain statements that are, or may be deemed to be, "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future are forward-looking statements. The Company has based these forward-looking statements largely on its current expectations and projections about future events and financial trends affecting the financial condition of its business. These forward-looking statements are subject to a number of risks and uncertainties, most of which are difficult to predict and many of which are beyond its control, including that the closing of the new Credit Facility may not occur with the terms or on the timeline currently contemplated or at all. Please read the Company's filings with the Securities and Exchange Commission, including "Risk Factors" in its Annual Report on Form 10-K, and other public filings and press releases for a discussion of risks and uncertainties that could cause actual results to differ from those in such forward-looking statements. The words "believe," "may," "estimate," "continue," "anticipate," "intend," "plan," "expect," "indicate" and similar expressions are intended to identify forward-looking statements. All statements other than statements of current or historical fact contained in this press release are forward-looking statements. Although the Company believes that the forward-looking statements contained in this press release are based upon reasonable assumptions, the forward-looking events and circumstances discussed in this press release may not occur and actual results could differ materially from those anticipated or implied in the forward-looking statements.

Any forward-looking statement speaks only as of the date on which such statement is made and the Company undertakes no obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise.

Harvest Oil & Gas Corp., Houston, TX
Ryan Stash
713-651-1144
hvstog.com

Exhibit 99.2

Harvest Oil & Gas Corp.
Unaudited Pro Forma Consolidated Financial Statements

The following unaudited pro forma consolidated financial statements are derived from the historical consolidated financial statements of Harvest Oil & Gas Corp. ("Harvest", the "Company" or the "Successor"). When referring to Harvest, the intent is to refer to Harvest Oil & Gas Corp., a Delaware corporation, and its consolidated subsidiaries as a whole or on an individual basis, depending on the context in which the statements are made. Harvest is the successor reporting company of EV Energy Partners, L.P. ("EVEP" or the "Predecessor") pursuant to Rule 15d-5 of the Securities Exchange Act of 1934, as amended. When referring to the Predecessor in reference to the period prior to the Effective Date (as defined below), the intent is to refer to EVEP and its consolidated subsidiaries as a whole or on an individual basis, depending on the context in which the statements are made.

The unaudited pro forma consolidated financial statements give effect to the following:

Reorganization and Fresh Start Accounting: On April 2, 2018, EVEP, and 13 affiliated debtors (collectively, the "Debtors") each filed a voluntary petition (the cases commenced thereby, the "Chapter 11 proceedings") for relief under Chapter 11 of Title 11 of the United States Bankruptcy Code ("Chapter 11") for bankruptcy protection in the United States Bankruptcy Court for the District of Delaware via Case No. 18-10814. The Debtors' Chapter 11 proceedings were jointly administered under the caption *In re EV Energy Partners, L.P., et al*., Case No. 18-10814. Harvest emerged from bankruptcy on June 4, 2018 (the "Effective Date").

Upon emergence on the Effective Date, the Company elected to adopt and apply the relevant guidance provided in accounting principles generally accepted in the United States of America with respect to the accounting and financial statement disclosures for entities that have emerged from Chapter 11 ("fresh start accounting"), which resulted in the Company becoming a new entity for financial reporting purposes effective May 31, 2018 to coincide with the timing of the Company's normal accounting period close. As a result of the application of fresh start accounting and the effects of the implementation of the plan of reorganization, the consolidated financial statements as of or after May 31, 2018 are not comparable with the consolidated financial statements prior to that date.

San Juan Asset Sale: On April 2, 2019, Harvest completed the sale of all of its (i) oil and gas properties in the San Juan Basin and (ii) membership interests in EnerVest Mesa, LLC, an indirect wholly-owned subsidiary of Harvest, (the "San Juan Asset Sale") to a third party for total consideration of $37.2 million in cash, net of preliminary purchase price adjustments.

On April 3, 2019, Harvest used the net cash proceeds received from the San Juan Asset Sale as well as cash on hand to repay $47.0 million of the borrowings outstanding under its reserve-based revolving credit facility (the "Credit Facility").

Barnett Asset Sale: On September 10, 2019, Harvest completed the sale of certain interests in the Barnett Shale (the "Initial Barnett Asset Sale") to a third party for total consideration of $63.5 million in cash, net of preliminary purchase price adjustments. The preliminary purchase price adjustments include a $6.4 million reduction in the purchase price paid at closing related to certain of the Company's interests that are not included in the initial closing but that are expected to be included in a subsequent closing in 2019 (the "Subsequent Barnett Asset Sale" or, together with the Initial Barnett Asset Sale, the "Barnett Asset Sale").

Mid-Con Asset Sale: On September 13, 2019, Harvest completed the sale of certain oil and gas properties in the Mid-Continent area (the "Mid-Con Asset Sale") to a third party for total consideration of $5.4 million in cash, net of preliminary purchase price adjustments.

The unaudited pro forma consolidated balance sheet gives effect to the Barnett Asset Sale and the Mid-Con Asset Sale, as if each had been completed as of June 30, 2019; no adjustment was made for the plan of reorganization, fresh start accounting or the San Juan Asset Sale as these events are reflected in the historical balance sheet of Harvest as of that date. The unaudited pro forma consolidated statement of operations for the six months ended June 30, 2019 gives effect to the San Juan Asset Sale, the Barnett Asset Sale and the Mid-Con Asset Sale, as if each had been completed as of January 1, 2018; no adjustment was made for the plan of reorganization or fresh start accounting as these events are reflected in the historical statement of operations of Harvest for this period. The unaudited pro forma consolidated statement of operations for the year ended December 31, 2018 gives effect to Harvest's plan of reorganization and fresh start accounting, the San Juan Asset Sale, the Barnett Asset Sale and the Mid-Con Asset Sale, as if each had been completed as of January 1, 2018.

The unaudited pro forma consolidated financial statements are for informational and illustrative purposes only and are not necessarily indicative of the financial results that would have occurred if the transactions or the Effective Date had occurred on the dates indicated, nor are such financial statements necessarily indicative of the financial position or results of operations in future periods. The unaudited pro forma consolidated financial statements do not include realization of cost savings expected to result from the transactions or the plan of reorganization. The assumptions and estimates underlying the adjustments to the unaudited pro forma consolidated financial statements are described in the accompanying notes. The unaudited pro forma consolidated financial

statements should also be read in conjunction with the historical unaudited condensed consolidated financial statements and the notes thereto included in the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2019 and the audited consolidated financial statements and the notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2018.

Harvest Oil & Gas Corp.
Unaudited Pro Forma Consolidated Balance Sheet
June 30, 2019
(In thousands, except number of shares)

	Successor	Pro Forma Adjustments		
	Harvest Historical	Barnett Asset Sale	Mid-Con Asset Sale	Harvest Pro Forma
ASSETS				
Current assets:				
Cash and cash equivalents	$ 13,650	$ 69,905 ***(a)***	$ 5,397 ***(d)***	$ 88,952
Accounts receivable:				
Oil, natural gas and natural gas liquids revenues	29,252	-	-	29,252
Other	1,355	-	-	1,355
Derivative asset	14,137	-	-	14,137
Other current assets	944	-	-	944
Total current assets	59,338	69,905	5,397	134,640
Oil and natural gas properties, net of accumulated depreciation, depletion and amortization	159,388	-	-	159,388
Assets held for sale	87,260	(76,489)***(b)***	(10,771)***(b)***	-
Long–term derivative asset	4,781	-	-	4,781
Other assets	7,112	-	-	7,112
Total assets	$ 317,879	$ (6,584)	$ (5,374)	$ 305,921
LIABILITIES AND EQUITY				
Current liabilities:				
Accounts payable and accrued liabilities	$ 25,095	$ -	$ -	$ 25,095
Other current liabilities	731	-	-	731
Total current liabilities	25,826	-	-	25,826
Asset retirement obligations	102,108	-	-	102,108
Long–term debt, net	-	-	-	-
Liabilities held for sale	10,618	(4,489)***(b)***	(6,129)***(b)***	-
Other long–term liabilities	1,804	-	-	1,804
Commitments and contingencies				
Mezzanine equity	135	-	-	135
Stockholders' equity:				
Common stock – $0.01 par value; 65,000,000 shares authorized; 10,141,512 shares issued and 10,117,472 shares outstanding	101	-	-	101
Additional paid-in capital	250,414	-	-	250,414
Treasury stock at cost - 24,040 shares	(414)	-	-	(414)
Retained earnings (accumulated deficit)	(72,713)	(2,095)***(c)***	755 ***(e)***	(74,053)
Total stockholders' equity	177,388	(2,095)	755	176,048
Total liabilities and equity	$ 317,879	$ (6,584)	$ (5,374)	$ 305,921

See accompanying notes to unaudited pro forma consolidated financial statements.

Harvest Oil & Gas Corp.
Unaudited Pro Forma Consolidated Statements of Operations
Six Months Ended June 30, 2019
(In thousands, except per share/unit data)

	Successor	Pro Forma Adjustments			
	Harvest Historical	San Juan Asset Sale	Barnett Asset Sale	Mid-Con Asset Sale	Harvest Pro Forma
Revenues:					
Oil, natural gas and natural gas liquids revenues	$ 73,415	$ (6,760)*(f)*	$ (27,515)*(j)*	$ (6,151)*(m)*	$ 32,989
Transportation and marketing–related revenues	1,018	-	-	-	1,018
Total revenues	74,433	(6,760)	(27,515)	(6,151)	34,007
Operating costs and expenses:					
Lease operating expenses	44,954	(4,677)*(f)*	(15,769)*(j)*	(3,455)*(m)*	21,053
Cost of purchased natural gas	714	-	-	-	714
Dry hole and exploration costs	39	(1)*(f)*	(7)*(j)*	- *(m)*	31
Production taxes	3,643	(1,103)*(f)*	(1,236)*(j)*	(326)*(m)*	978
Accretion expense on obligations	4,378	(55)*(g)*	(187)*(k)*	(217)*(n)*	3,919
Depreciation, depletion and amortization	9,345	(399)*(h)*	(5,166)*(l)*	(692)*(o)*	3,088
General and administrative expenses	13,023	(472)*(f)*	(1,587)*(j)*	(590)*(m)*	10,374
Impairment of oil and natural gas properties	99,279	-	-	-	99,279
Gain on sales of oil and natural gas properties	(18)	-	-	-	(18)
Total operating costs and expenses	175,357	(6,707)	(23,952)	(5,280)	139,418
Operating income (loss)	(100,924)	(53)	(3,563)	(871)	(105,411)
Other income (expense), net:					
Loss on derivatives, net	(344)	-	-	-	(344)
Interest expense	(2,834)	408 *(i)*	-	-	(2,426)
Gain on equity securities	4,593	-	-	-	4,593
Other income, net	2,827	-	-	-	2,827
Total other income (expense), net	4,242	408	-	-	4,650
Income (loss) before income taxes	(96,682)	355	(3,563)	(871)	(100,761)
Income tax expense	-	-	-	-	-
Net income (loss)	$ (96,682)	$ 355	$ (3,563)	$ (871)	$ (100,761)
Basic and diluted earnings per share:					
Net income (loss)	$ (9.62)				$ (10.02)
Weighted average common shares outstanding:					
Basic	10,053				10,053
Diluted	10,053				10,053

See accompanying notes to unaudited pro forma consolidated financial statements.

Harvest Oil & Gas Corp.
Unaudited Pro Forma Consolidated Statements of Operations
Year Ended December 31, 2018
(In thousands, except per share/unit data)

	Predecessor Five Months Ended May 31, 2018	Successor Seven Months Ended December 31, 2018	Pro Forma Adjustments				
	EVEP Historical	Harvest Historical	Reorganization and Fresh Start Accounting	San Juan Asset Sale	Barnett Asset Sale	Mid-Con Asset Sale	Harvest Pro Forma
Revenues:							
Oil, natural gas and natural gas liquids revenues	$ 110,307	$ 137,169	$ -	$ (28,378) *(f)*	$ (69,205) *(j)*	$ (12,519) *(m)*	$ 137,374
Transportation and marketing–related revenues	724	1,431	-	-	-	-	2,155
Total revenues	111,031	138,600	-	(28,378)	(69,205)	(12,519)	139,529
Operating costs and expenses:							
Lease operating expenses	45,372	64,100	-	(16,060) *(f)*	(30,514) *(j)*	(5,904) *(m)*	56,994
Cost of purchased natural gas	557	1,026	-	-	-	-	1,583
Dry hole and exploration costs	122	177	-	- *(f)*	(17) *(j)*	- *(m)*	282
Production taxes	5,343	6,482	-	(4,448) *(f)*	(2,394) *(j)*	(805) *(m)*	4,178
Accretion expense on obligations	3,176	5,420	1,105 *(p)*	(672) *(g)*	(364) *(k)*	(419) *(n)*	8,246
Depreciation, depletion and amortization	46,196	16,012	(31,379) *(q)*	(3,338) *(h)*	(10,202) *(l)*	(1,490) *(o)*	15,799
General and administrative expenses	15,648	15,626	-	(1,678) *(f)*	(3,373) *(j)*	(1,147) *(m)*	25,076
Restructuring costs	5,211	-	(5,211) *(r)*	-	-	-	-
Impairment of oil and natural gas properties	3	3,065	-	-	-	-	3,068
(Gain) loss on sales of oil and natural gas properties	5	(697)	-	-	-	-	(692)
Total operating costs and expenses	121,633	111,211	(35,485)	(26,196)	(46,864)	(9,765)	114,534
Operating income (loss)	(10,602)	27,389	35,485	(2,182)	(22,341)	(2,754)	24,995
Other income (expense), net:							
Gain (loss) on derivatives, net	444	16,962	-	-	-	-	17,406
Interest expense	(13,652)	(7,225)	7,149 *(s)*	1,768 *(i)*	-	-	(11,960)
Loss on equity securities	-	(11,130)	-	-	-	-	(11,130)
Other income, net	776	374	-	-	-	-	1,150
Total other income (expense), net	(12,432)	(1,019)	7,149	1,768	-	-	(4,534)
Reorganization items, net	(587,325)	(2,323)	589,648 *(t)*	-	-	-	-
Income (loss) before income taxes	(610,359)	24,047	632,282	(414)	(22,341)	(2,754)	20,461
Income tax expense	(166)	(78)	- *(u)*	-	-	-	(244)
Net income (loss)	$ (610,525)	$ 23,969	$ 632,282	$ (414)	$ (22,341)	$ (2,754)	$ 20,217
Basic and diluted earnings per share / unit:							
Net income (loss)	$ (12.12)	$ 2.39					$ 2.02
Weighted average common shares / units outstanding:							
Basic	49,369	10,030					10,030 *(v)*
Diluted	49,369	10,032					10,032 *(v)*

See accompanying notes to unaudited pro forma consolidated financial statements.

NOTE 1. BASIS OF PRESENTATION

The unaudited pro forma consolidated balance sheet as of June 30, 2019 is derived from the historical consolidated balance sheet of Harvest, with adjustments to reflect (i) the Barnett Asset Sale and (ii) the Mid-Con Asset Sale.

The unaudited pro forma consolidated statement of operations for the six months ended June 30, 2019 is derived from the historical consolidated statement of operations of Harvest, with adjustments to reflect (i) the San Juan Asset Sale, (ii) the Barnett Asset Sale and (iii) the Mid-Con Asset Sale.

The unaudited pro forma consolidated statement of operations for the year ended December 31, 2018 is derived from the historical consolidated statements of operations of EVEP and Harvest, with adjustments to reflect (i) the Company's plan of reorganization and fresh start accounting, (ii) the San Juan Asset Sale, (iii) the Barnett Asset Sale and (iv) the Mid-Con Asset Sale.

The unaudited pro forma consolidated balance sheet gives effect to the Barnett Asset Sale and the Mid-Con Asset Sale as if each had been completed as of June 30, 2019. The unaudited pro forma consolidated statement of operations for the six months ended June 30, 2019 gives effect to the San Juan Asset Sale, the Barnett Asset Sale and the Mid-Con Asset Sale, as if each had been completed as of January 1, 2018. The unaudited pro forma consolidated statement of operations for the year ended December 31, 2018 gives effect to Harvest's plan of reorganization and fresh start accounting, the San Juan Asset Sale, the Barnett Asset Sale and the Mid-Con Asset Sale, as if each had been completed as of January 1, 2018.

The transactions and events as well as the related adjustments are described below. In the opinion of Harvest's management, all adjustments have been made that are necessary to present fairly, in accordance with Regulation S-X, the unaudited pro forma consolidated financial statements.

The historical consolidated financial statements have been adjusted in the unaudited pro forma consolidated financial statements to give effect to pro forma events that are (i) directly attributable to the transactions and events, (ii) factually supportable and (iii) with respect to the unaudited pro forma consolidated statements of operations, expected to have a continuing impact on the results following the transactions and events.

In the Notes to Unaudited Pro Forma Consolidated Financial Statements, all dollar amounts in tabulations are in thousands of dollars, unless otherwise indicated.

NOTE 2. DESCRIPTION OF TRANSACTIONS

The unaudited pro forma consolidated financial statements give effect to the following:

Reorganization and Fresh Start Accounting: Upon emergence from bankruptcy on June 4, 2018, Harvest applied the provisions of fresh start accounting which resulted in the Company becoming a new entity for financial reporting purposes.

San Juan Asset Sale: On April 2, 2019, Harvest completed the San Juan Asset Sale and used the net cash proceeds therefrom to repay a portion of the borrowings outstanding under the Credit Facility.

Barnett Asset Sale: On September 10, 2019, Harvest completed the Initial Barnett Asset Sale, and Harvest expects to complete the Subsequent Barnett Asset Sale later in 2019.

Mid-Con Asset Sale: On September 13, 2019, Harvest completed the Mid-Con Asset Sale.

The assets and liabilities, results of operations and cash flows of the properties sold in the San Juan Asset Sale, the Barnett Asset Sale and the Mid-Con Asset Sale were included in the historical financial statements of Harvest through the closing date of each sale.

As a result of the application of fresh start accounting and the effects of the implementation of the plan of reorganization, the consolidated financial statements on or after May 31, 2018 are not comparable with the consolidated financial statements prior to that date.

NOTE 3. PRO FORMA ADJUSTMENTS

(a) Reflects approximately $63.5 million of cash proceeds, net of preliminary purchase price adjustments, received from the Initial

Barnett Asset Sale, and approximately $6.4 million of cash proceeds, net of preliminary purchase price adjustments, expected to be received in the Subsequent Barnett Asset Sale later in 2019.

(b) Reflects the elimination of assets and liabilities associated with the Barnett Asset Sale and the Mid-Con Asset Sale as of June 30, 2019. See below for a summary of the net assets sold:

	Barnett Asset Sale	Mid-Con Asset Sale
Assets:		
Assets held for sale	$ 76,489	$ 10,771
Liabilities:		
Liabilities held for sale	4,489	6,129
Net assets sold	$ 72,000	$ 4,642

(c) Reflects an expected impairment on the Barnett Asset Sale of approximately $2.1 million, which is based on the information available to the Company at this time. This expected impairment is excluded from the unaudited pro forma statements of operations as it represents a nonrecurring item not expected to have a continuing impact.

(d) Reflects approximately $5.4 million of cash proceeds, net of preliminary purchase price adjustments, received from the Mid-Con Asset Sale.

(e) Reflects an expected gain on the Mid-Con Asset Sale of approximately $0.8 million, which is based on the information available to the Company at this time. This expected gain is excluded from the unaudited pro forma statements of operations as it represents a nonrecurring item not expected to have a continuing impact.

(f) Reflects the elimination of the revenues, direct operating expenses and certain general and administrative expenses associated with the San Juan Asset Sale.

(g) Reflects a reduction of accretion expense on obligations as a result of the San Juan Asset Sale.

(h) Reflects a reduction of depreciation, depletion and amortization expense as a result of the San Juan Asset Sale.

(i) Reflects a reduction of interest expense as a result of the repayment of debt of approximately $37.2 million from the net cash proceeds received from the San Juan Asset Sale.

(j) Reflects the elimination of the revenues, direct operating expenses and certain general and administrative expenses associated with the Barnett Asset Sale.

(k) Reflects a reduction of accretion expense on obligations as a result of the Barnett Asset Sale.

(l) Reflects a reduction of depreciation, depletion and amortization expense as a result of the Barnett Asset Sale.

(m) Reflects the elimination of the revenues, direct operating expenses and certain general and administrative expenses associated with the Mid-Con Asset Sale.

(n) Reflects a reduction of accretion expense on obligations as a result of the Mid-Con Asset Sale.

(o) Reflects a reduction of depreciation, depletion and amortization expense as a result of the Mid-Con Asset Sale.

(p) Reflects an increase of accretion expense on obligations based on new asset retirement obligations and asset lives as a result of adopting fresh start accounting as of the Effective Date.

(q) Reflects a reduction of depreciation, depletion and amortization expense based on new asset values as a result of adopting fresh start accounting as of the Effective Date.

(r) Reflects the elimination of prepetition restructuring costs of approximately $5.2 million.

(s) Reflects a reduction of interest expense as a result of the plan of reorganization. The senior notes of the Predecessor were cancelled and the Predecessor's liability thereunder discharged. The holders of claims under the Predecessor's credit facility received full recovery which consisted of their pro rata share of the new reserved-based revolving credit facility. Borrowings under the Credit Facility bear interest at a floating rate based on, at the Company's election, a base rate or the London Inter–Bank Offered Rate plus applicable premiums based on the percent of the borrowing base outstanding, which is similar to interest under the Predecessor's credit facility. The pro forma adjustments to interest expense were calculated as follows:

	Year Ended December 31, 2018
Reversal of Predecessor's senior notes interest expense	$ 6,996
Reversal of amortization of premium, discount and debt issuance costs on Predecessor's senior notes	233
Reversal of amortization of debt issuance costs on Predecessor's credit facility	207
Pro forma amortization of debt issuance costs on the Credit Facility	(287)
Pro forma adjustments to decrease interest expense	$ 7,149

(t) Reflects the elimination of nonrecurring reorganization items that were directly attributable to the Chapter 11 proceedings, which consist of the following:

	Predecessor	Successor
	Five Months Ended May 31, 2018	Seven Months Ended December 31, 2018
Gain on settlement of liabilities subject to compromise	$ (128,700)	$ -
Fresh start valuation adjustments	700,325	-
Professional fees	13,345	2,323
Other	2,355	-
Reorganization items, net	$ 587,325	$ 2,323

(u) Effective June 4, 2018, pursuant to the plan of reorganization, the Successor became a corporation subject to federal and state income taxes. Prior to the plan of reorganization being effective, the Predecessor was a limited partnership and organized as a pass-through entity for federal and most state income tax purposes. As a result, the Predecessor's limited partners were responsible for federal and state income taxes on their share of taxable income. The Predecessor was subject to the Texas margin tax for partnership activity in the state of Texas. The Successor is also subject to the Texas margin tax for corporate activity in the state of Texas after the Effective Date of the plan of reorganization. Obligations of the Predecessor and Successor under the Texas gross margin tax are recorded as "Income taxes". Management assesses the available positive and negative evidence to estimate whether it is more likely than not that sufficient future taxable income will be generated to realize the Company's deferred tax assets. Due to significant negative evidence, the Company established a valuation allowance against its net deferred tax asset. As a result of the valuation allowance, the Company would have had no income tax expense or benefit for the periods.

(v) In accordance with the plan of reorganization, on the Effective Date, all units of Predecessor that were issued and outstanding immediately prior to the Effective Date were cancelled. The Successor issued (i) 9,500,000 new shares of its common stock, par value $0.01 per share ("common stock") pro rata to holders of the Predecessor's senior notes; (ii) 500,016 shares of common stock pro rata to holders of units of EVEP prior to the Effective Date; and (iii) 800,000 warrants to purchase 800,000 shares of the Company's common stock to holders of units of EVEP prior to the Effective Date exercisable for a five-year period commencing on the Effective Date entitling their holders upon exercise thereof, on a pro rata basis, to 8% of the total issued and outstanding common stock (including common stock as of the Effective Date issuable upon full exercise of the warrants, but excluding any common stock issuable under the Company's Management Incentive Plan), at a per share exercise price of $37.48. These transactions were assumed to have occurred as of January 1, 2018. The 800,000 warrants to purchase common stock are excluded from the diluted net earnings per share calculations because of their antidilutive effect.