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): November 12, 2021

SilverBow Resources, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**001-8754**	**20-3940661**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

920 Memorial City Way, Suite 850
Houston, Texas 77024
(Address of Principal Executive Offices)
(Zip Code)

(281) 874-2700
(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:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	SBOW	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§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 1.01. Entry into a Material Definitive Agreement.

Amendment to Credit Agreement

On November 12, 2021, SilverBow Resources, Inc. ("SilverBow Resources" or the "Company"), as borrower, the guarantors party thereto (the "Guarantors"), JPMorgan Chase Bank, N.A., as administrative agent (the "First Lien Agent"), and the other lenders party thereto entered into the Eighth Amendment to First Amended and Restated Senior Secured Credit Agreement (the "Eighth Amendment"). The Eighth Amendment amends the First Amended and Restated Senior Secured Credit Agreement, dated as of April 19, 2017 (as previously amended and as further amended by the Eighth Amendment, the "Credit Agreement"), by and among the Company, the Administrative Agent, JPMorgan Chase Bank, N.A., as sole lead arranger and sole bookrunner, Bank of America, N.A., Canadian Imperial Bank of Commerce, New York Branch, Fifth Third Bank, National Association, KeyBank National Association and Truist Bank, as syndication agents, Capital One, National Association, and BOKF, N.A. dba Bank of Texas, as documentation agents, and the other lenders party thereto.

Among other things, the Eighth Amendment (i) redetermined the Borrowing Base (as defined in the Credit Agreement) from $300 million to $460 million as part of the regularly scheduled semi-annual redetermination, which Borrowing Base is subject to a limitation on availability pending the consummation of an acquisition previously disclosed to the lenders; (ii) increased the maximum credit amounts from $600 million to $1 billion; (iii) consented to a $50 million redemption of the second lien notes so long as it occurs on or prior to February 15, 2022 and (iv) modified certain other terms of the Credit Agreement, including as set forth immediately below.

The Eighth Amendment includes revisions to effectuate the replacement of LIBOR with either an adjusted term secured overnight financing rate ("Term SOFR") or an adjusted daily simple SOFR ("Daily Simple SOFR"), such that interest is payable at a variable rate based on Term SOFR, Daily Simple SOFR or the prime rate, determined at SilverBow Resources' election at the time of the borrowing, plus an applicable margin rate.

The foregoing is qualified in its entirety by reference to the Eighth Amendment, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Amendment to Note Purchase Agreement

On November 12, 2021, the Company entered into the Second Amendment to the Note Purchase Agreement (the "Second Amendment") among the Company, as issuer, U.S. Bank National Association, as agent and collateral agent (the "Second Lien Agent"), the guarantors party thereto and certain holders that are a party thereto. Upon the satisfaction of certain conditions to effectiveness, including the $50 million redemption of the second lien notes on or prior to February 15, 2022, the Second Amendment will amend the Note Purchase Agreement, dated as of December 15, 2017 (as previously amended and as further amended by the Second Amendment, the "Note Purchase Agreement").

Upon effectiveness, the Second Amendment will among other things modify the terms of the Note Purchase Agreement, including to (i) extend the maturity date from December 15, 2024 to December 15, 2026; (ii) reduce the permitted ratio of Total Net Indebtedness to EBITDA (each as defined in the Note Purchase Agreement) from 4.50 to 1.00 to (A) 3.50 to 1.00 for the fiscal quarters ending on or before December 31, 2021 and (B) 3.25 to 1.00 commencing with the fiscal quarter ending March 31, 2022 and for any fiscal quarter thereafter; (iii) implement a Minimum Asset Coverage Ratio of 1.25 to 1.00 tested on a quarterly basis; (iv) extend the call protection schedule by twelve months and (v) increase the mortgage coverage and title requirements from 85% to 90%, which is consistent with the Credit Agreement.

The foregoing is qualified in its entirety by reference to the Second Amendment, a copy of which is filed as Exhibit 10.2 to this Current Report on Form 8-K and is incorporated herein by reference.

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

The information provided under Item 1.01 in this Current Report on Form 8-K is incorporated by reference into this Item 2.03.

Item 7.01. Regulation FD Disclosure.

On November 15, 2021, the Company issued a press release announcing the Eighth Amendment to the Credit Agreement and Second Amendment to the Note Purchase Agreement. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

In accordance with General Instruction B.2 of Form 8-K, the information furnished under this Item 7.01, including Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or as otherwise subject to the liability of such section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	**Description**
10.1	Eighth Amendment to First Amended and Restated Senior Secured Revolving Credit Agreement effective as of November 12, 2021, by and among SilverBow Resources, Inc., as borrower, JPMorgan Chase Bank, N.A., as administrative agent, the guarantors party thereto and certain lenders party thereto
10.2	Second Amendment to Note Purchase Agreement dated as of November 12, 2021, by and among SilverBow Resources, Inc., as issuer, U.S. Bank National Association, as agent and collateral agent, the guarantors party thereto and the purchasers party thereto.
99.1	SilverBow Resources, Inc. press release dated November 15, 2021
104	Cover Page Interactive Data File (formatted as Inline XBRL)

SIGNATURE

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

SilverBow Resources, Inc.

Date: November 12, 2021

By: */s/ Christopher M. Abundis*
Christopher M. Abundis
Executive Vice President, Chief Financial Officer
and General Counsel

EXHIBIT 10.1

Execution Version

EIGHTH AMENDMENT TO FIRST AMENDED AND RESTATED SENIOR SECURED REVOLVING CREDIT AGREEMENT

This EIGHTH AMENDMENT TO FIRST AMENDED AND RESTATED SENIOR SECURED REVOLVING CREDIT AGREEMENT (this "Amendment"), dated as of November 12, 2021, is among SILVERBOW RESOURCES, INC. (f/k/a Swift Energy Company), a Delaware corporation (the "Borrower"), the undersigned guarantors (the "Guarantors" and, together with the Borrower, the "Obligors"), JPMORGAN CHASE BANK, N.A., as administrative agent for the Lenders (in such capacity, together with its successors, the "Administrative Agent"), the Existing Lenders (as defined below) and Capital One, National Association, as an additional Lender (the "New Lender").

Recitals

A. The Borrower, the Administrative Agent and the Lenders party thereto immediately prior to the date hereof (the "Existing Lenders") are parties to that certain First Amended and Restated Senior Secured Revolving Credit Agreement, dated as of April 19, 2017 (as amended, supplemented or otherwise modified prior to the date hereof, the "Existing Credit Agreement"; the Existing Credit Agreement as amended by this Amendment and as may be further amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), pursuant to which the Existing Lenders have made certain credit available to and on behalf of the Borrower.

B. The Borrower has informed the Administrative Agent and the Lenders that (a) it intends to Redeem up to $50,000,000 of Specified Permitted Second Lien Debt prior to the date that is ninety-one (91) days after the Maturity Date (the "Second Lien Notes Redemption"), including with the proceeds of Loans, and (b)(i) SilverBow Resources Operating, LLC intends to acquire certain Oil and Gas Properties (the "Specified Acquisition Properties") from certain parties disclosed to the Administrative Agent prior to the date hereof pursuant to the Purchase and Sale Agreement dated October 8, 2021 (such agreement, together with all exhibits, schedules, other attachments, and disclosure letters thereto, the "Specified Purchase Agreement"; the acquisition contemplated thereby, the "Specified Acquisition") and (ii) it has provided the Administrative Agent and the Lenders with a Borrower-prepared database and other engineering information covering the Specified Acquisition Properties (the "Specified Acquisition Engineering Reports").

C. The New Lender intends to become party to the Credit Agreement as a Lender and the Existing Lenders have agreed to assign and reallocate at par their Commitments, Revolving Credit Exposures and Maximum Credit Amounts to the New Lender as further described in the Amendment.

D. The Administrative Agent and the Lenders have agreed, subject to the terms and conditions herein, to (a) consent to the Second Lien Notes Redemption, (b) increase the Borrowing Base from $300,000,000 to $460,000,000 in connection with the Current Scheduled Redetermination (as defined below) and in contemplation of the Specified Acquisition, (c) increase the aggregate Maximum Credit Amounts from $600,000,000 to $1,000,000,000 and (d) amend certain provisions of the Existing Credit Agreement in connection with the foregoing.

E. NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Defined Terms. Each capitalized term used herein but not otherwise defined herein has the meaning given to such term in the Credit Agreement. For purposes of this Amendment, all references to a "Lender" shall include such Lender's capacity as an Issuing Bank, to the extent applicable. Unless otherwise indicated, all section references in this Amendment refer to sections in the Credit Agreement.

Section 2. New Lender; Reallocation of Commitments; Increase of Maximum Credit Amounts. The New Lender intends to become party to the Credit Agreement as a Lender. The New Lender and the Existing Lenders have agreed, and the Administrative Agent and the Borrower hereby consent, to, upon the Eighth Amendment Effective Date, (a) the New Lender becoming party to the Credit Agreement as a Lender and (b) the assignment and reallocation at par of the Existing Lenders' respective Commitments, Revolving Credit Exposures and Maximum Credit Amounts (the "Assigned Interests"), in each case, such that after giving effect to such actions and the increase of the aggregate Maximum Credit Amounts referred to above, the Maximum Credit Amount and Applicable Percentage for each Lender shall equal those reflected on Annex I attached hereto and such annex shall replace and supersede Annex I to the Existing Credit Agreement. With respect to the foregoing assignments and reallocations, each Lender shall be deemed to have acquired its portion of the Assigned Interests allocated to it from the other Lenders pursuant to the terms of an Assignment and Assumption attached as Exhibit G to the Credit Agreement as if each such Lender had executed an Assignment and Assumption with respect to such allocation and otherwise they shall occur upon the Eighth Amendment Effective Date pursuant to mechanics reasonably determined by the Administrative Agent. In connection with, and for the purposes of, the assignments and reallocations effected by this Amendment only, the Administrative Agent waives the processing and recordation fee under Section 12.04(b)(ii)(C) of the Credit Agreement.

Section 3. Consent. Notwithstanding anything to the contrary contained in Sections 9.04(b), 9.04(c) and 9.07 of the Credit Agreement, as of the Eighth Amendment Effective Date, the Lenders hereby consent to the Second Lien Notes Redemption so long as it occurs prior to February 15, 2022 and agree that the proceeds of Loans may be used to fund the Second Lien Notes Redemption, either in whole or in part, so long as no Default, Event of Default or Borrowing Base Deficiency exists immediately before or after giving effect to the Second Lien Notes Redemption.

Section 4. Amendments to Credit Agreement. Effective as of the Eighth Amendment Effective Date:

4.1 The Credit Agreement is hereby amended in its entirety as set forth in Exhibit A hereto (it being agreed, for the avoidance of doubt, that nothing in this Amendment amends or modifies the Exhibits or Schedules to the Credit Agreement except as set forth in Section 4.2 hereof); provided that, notwithstanding the foregoing, the parties hereto acknowledge and agree that (a) any Eurodollar Loans (as defined in the Existing Credit Agreement) outstanding immediately prior to the Eighth Amendment Effective Date shall remain outstanding, bearing interest at the Adjusted LIBO Rate (as defined in the Existing Credit Agreement), until the expiration of the Interest Period (as defined in the Existing Credit Agreement) applicable thereto and the related provisions of the Existing Credit Agreement shall continue in effect solely with respect to such Eurodollar Loans until such time for the limited purposes set forth in this Section 4.1 and (b) no Loans may be continued as or converted to Eurodollar Loans, and no new Eurodollar Loans may be requested, after such time.

4.2 The Credit Agreement is hereby further amended by (a) deleting Exhibit B thereto and replacing it with Exhibit B hereto and (b) deleting Exhibit C thereto and replacing it with Exhibit C hereto.

Section 5. Eighth Amendment Effective Date Borrowing Base Increase. Each of the parties hereto agrees that upon and as of the Eighth Amendment Effective Date: (a) the November 1, 2021 Scheduled Redetermination shall be deemed to have taken place according to the procedures set forth in the Credit Agreement and (b) the amount of the Borrowing Base shall be increased from $300,000,000 to $460,000,000 (the "Current Scheduled Redetermination"). After giving effect to the Current Scheduled Redetermination, the Borrowing Base shall remain in effect until otherwise redetermined or adjusted pursuant to the Borrowing Base Adjustment Provisions in accordance with the terms of the Credit Agreement. For avoidance of doubt, this provision does not limit the right of the parties to initiate Interim Redeterminations of the Borrowing Base in accordance with Section 2.07(c) of the Credit Agreement or any other Borrowing Base Adjustment Provisions and the Current Scheduled Redetermination shall not constitute an Interim Redetermination. This Section 5 constitutes the New Borrowing Base Notice delivered in accordance with Section 2.07(d) of the Credit Agreement in connection with the Current Scheduled Redetermination.

Section 6. Conditions Precedent. This Amendment shall become effective on the date (such date, the "Eighth Amendment Effective Date") when each of the following conditions is satisfied (or waived in accordance with Section 12.02(b) of the Credit Agreement):

6.1 The Administrative Agent and the Lenders shall have received all fees and other amounts due and payable in connection with this Amendment or any other Loan Document on or prior to the Eighth Amendment Effective Date, including, to the extent invoiced, reimbursement or payment of all out-of-pocket expenses required to be reimbursed or paid by the Borrower pursuant to this Amendment or any other Loan Document.

6.2 The Administrative Agent shall have received a counterpart of this Amendment signed by the Borrower, the Guarantors and each Lender.

6.3 The Administrative Agent shall have received a certificate of a Responsible Officer of the Borrower certifying as to the representations and warranties in Section 7.2(d) below.

The Administrative Agent is hereby authorized and directed to declare this Amendment to be effective (and the Eighth Amendment Effective Date shall occur) when it has received documents confirming or certifying, to the satisfaction of the Administrative Agent, compliance with the conditions set forth in this Section 6 (or the waiver of such conditions as permitted in Section 12.02(b) of the Credit Agreement). Such declaration shall be final, conclusive and binding upon all parties to the Credit Agreement for all purposes.

Section 7. Miscellaneous.

7.1 Confirmation. All of the terms and provisions of the Credit Agreement are, and shall remain, in full force and effect following the effectiveness of this Amendment. Neither the execution by the Administrative Agent or the Lenders of this Amendment, nor any other act or omission by the Administrative Agent or the Lenders or their officers in connection herewith, shall be deemed to be an agreement by the Administrative Agent or the Lenders to agree to any future requests.

7.2 Ratification and Affirmation; Representations and Warranties. Each Obligor hereby (a) acknowledges the terms of this Amendment; (b) ratifies and affirms (i) its obligations under, and acknowledges, renews and extends its continued liability under, each Loan Document and agrees that each Loan Document remains in full force and effect as expressly amended hereby and (ii) that the Liens created by the Loan Documents to which it is a party are valid and continuing and secure the Secured Obligations in accordance with the terms thereof, after giving effect to this Amendment; (c) agrees that from and after the Eighth Amendment Effective Date (i) each reference to the Credit Agreement in the other Loan Documents shall be deemed to be a reference to the Credit Agreement, as amended by this Amendment and (ii) this Amendment does not constitute a novation of the Credit Agreement; and (d) represents and warrants to the Lenders that as of the date hereof, and immediately after giving effect to the terms of this Amendment: (i) all of the representations and warranties contained in each Loan Document are true and correct in all material respects (unless already qualified by materiality in which case such applicable representation and warranty shall be true and correct), except to the extent any such representations and warranties are expressly limited to an earlier date, in which case, such representations and warranties shall continue to be true and correct in all material respects (unless already qualified by materiality in which case such applicable representation and warranty shall be true and correct) as of such specified earlier date, (ii) no Default or Event of Default has occurred and is continuing and (iii) no event, development or circumstance has occurred or exists that has resulted in, or could reasonably be expected to have, a Material Adverse Effect.

7.3 Loan Document. This Amendment is a Loan Document.

7.4 Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one agreement. Delivery of an executed counterpart of a signature page of this Amendment that is an Electronic Signature transmitted by telecopy, emailed .pdf or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Amendment. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this Amendment and/or any document to be signed in connection with this Amendment and the transactions contemplated hereby shall be deemed to include Electronic Signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that nothing herein shall require the Administrative Agent to accept electronic signatures in any form or format without its prior written consent.

7.5 No Oral Agreement. This Amendment, the Credit Agreement and the other Loan Documents executed in connection herewith and therewith represent the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous, or unwritten oral agreements of the parties. There are no subsequent oral agreements between the parties.

7.6 GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. Sections 12.09(b)-(d) of the Credit Agreement shall be incorporated herein *mutatis mutandis*.

7.7 Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

7.8 No Claims. Each Obligor represents and warrants that as of the date of this Amendment, it has no knowledge of events or circumstances that would reasonably be expected to give rise to a claim against any Lender or the Administrative Agent.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first written above.

BORROWER: **SILVERBOW RESOURCES, INC.**

By: */s/ Christopher M. Abundis*
Name: Christopher M. Abundis
Title: Executive Vice President, Chief Financial Officer, General Counsel and Secretary

GUARANTOR: **SILVERBOW RESOURCES OPERATING, LLC**

By: */s/ Christopher M. Abundis*
Name: Christopher M. Abundis
Title: Executive Vice President, Chief Financial Officer, General Counsel, Treasurer and Secretary

ADMINISTRATIVE AGENT:

JPMORGAN CHASE BANK, N.A., as
Administrative Agent and a Lender

By: */s/ Jo Linda Papadakis*
Name: Jo Linda Papadakis
Title: Authorized Officer

LENDER:

Bank of America, N.A., as a Lender

By: */s/ Ajay Prakash*
Name: Ajay Prakash
Title: Director

LENDER:

CANADIAN IMPERIAL BANK OF COMMERCE, NEW YORK BRANCH,
as a Lender

By: */s/ Trudy Nelson*
Name: Trudy Nelson
Title: Authorized Signatory

By: */s/ Scott W. Danvers*
Scott W. Danvers
Authorized Signatory

LENDER:

FIFTH THIRD BANK, NATIONAL ASSOCIATION, as a Lender

By: */s/ Dan Condley*
Name: Dan Condley
Title: Managing Director

LENDER:

KeyBank National Association, as a Lender

By: */s/ Kyle Gruen*
Name: Kyle Gruen
Title: Vice President

LENDER:

TRUIST BANK, as a Lender

By: */s/ Greg Krablin*
Name: Greg Krablin
Title: Director

LENDER: **CAPITAL ONE, NATIONAL ASSOCIATION,** as a Lender

By: */s/ Cameron Breitenbach*
Name: Cameron Breitenbach
Title: Director

LENDER:

BOKF NA, dba Bank of Texas, as a Lender

By: */s/ Taylor Morris*
Name: Taylor Morris
Title: VP -Energy Lending

LENDER:

COMERICA BANK, as a Lender

By: */s/ Robert Kret*
Name: Robert Kret
Title: Vice President

ANNEX I
LIST OF MAXIMUM CREDIT AMOUNTS

Aggregate Maximum Credit Amounts

Name of Lender	Applicable Percentage	Maximum Credit Amount
JPMORGAN CHASE BANK, N.A.	14.130434783%	$ 141,304,347.83
BANK OF AMERICA, N.A.	12.608695652%	$ 126,086,956.52
CANADIAN IMPERIAL BANK OF COMMERCE, NEW YORK BRANCH	12.608695652%	$ 126,086,956.52
FIFTH THIRD BANK, NATIONAL ASSOCIATION	12.608695652%	$ 126,086,956.52
KEYBANK NATIONAL ASSOCIATION	12.608695652%	$ 126,086,956.52
TRUIST BANK	12.608695652%	$ 126,086,956.52
CAPITAL ONE, NATIONAL ASSOCIATION	9.782608696%	$ 97,826,086.96
BOKF, N.A. DBA BANK OF TEXAS	7.608695652%	$ 76,086,956.52
COMERICA BANK	5.434782609%	$ 54,347,826.09
TOTAL	**100.000000000%**	$ 1,000,000,000.00

EXHIBIT A

Exhibit A to Eighth Amendment

FIRST AMENDED AND RESTATED SENIOR SECURED REVOLVING CREDIT AGREEMENT

dated as of April 19, 2017

among

SILVERBOW RESOURCES, INC.
as Borrower

JPMORGAN CHASE BANK, N.A.
as Administrative Agent

and

the Lenders party hereto

JPMORGAN CHASE BANK, N.A.
as Sole Lead Arranger and Sole Bookrunner

BANK OF AMERICA, N.A.
CANADIAN IMPERIAL BANK OF COMMERCE, NEW YORK BRANCH,
FIFTH THIRD BANK, NATIONAL ASSOCIATION,
KEYBANK NATIONAL ASSOCIATION, and
TRUIST BANK
as Syndication Agents

BOKF, N.A. DBA BANK OF TEXAS, and
CAPITAL ONE, NATIONAL ASSOCIATION
as Documentation Agent

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THIS **FIRST AMENDED AND RESTATED SENIOR SECURED REVOLVING CREDIT AGREEMENT** dated as of April 19, 2017, is among SILVERBOW RESOURCES, INC. (f/k/a Swift Energy Company), a Delaware corporation (the "Borrower"), each lender that is a party hereto, JPMORGAN CHASE BANK, N.A., as administrative agent for the Lenders (in such capacity, together with its successors in such capacity pursuant to the terms hereof, the "Administrative Agent"), JPMORGAN CHASE BANK, N.A., as Sole Lead Arranger and Sole Book Runner, and JPMORGAN CHASE BANK, N.A., as Issuing Bank.

R E C I T A L S

A. The Borrower, JPMorgan Chase Bank, National Association, as administrative agent and the lenders party thereto are parties to that certain Senior Secured Revolving Credit Agreement dated as of April 22, 2016 (as amended, supplemented or otherwise modified from time to time prior to the Closing Date, the "Existing Credit Agreement"), pursuant to which, among other things, the lenders party thereto have made certain credit available to the Borrower.

B. The Borrower has requested and the Administrative Agent and the Lenders have agreed to amend and restate the Existing Credit Agreement subject to the terms of this Agreement.

C. In consideration of the mutual covenants and agreements herein contained and of the loans, extensions of credit and commitments hereinafter referred to, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS AND ACCOUNTING MATTERS

Section 1.01 Terms Defined Above. As used in this Agreement, each term defined above has the meaning indicated above.

Section 1.02 Certain Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

"ABR" means, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Alternate Base Rate.

"Accounting Changes" has the meaning assigned to such term in Section 1.05.

"Adjusted Daily Simple SOFR" means an interest rate *per annum* equal to (a) Daily Simple SOFR *plus* (b) 0.10%; provided that if Adjusted Daily Simple SOFR as so determined would be less than the Floor, such rate shall be deemed equal to the Floor for purposes of this Agreement.

"Adjusted Term SOFR Rate" means, for any Interest Period, an interest rate *per annum* equal to (a) the Term SOFR Rate for such Interest Period *plus* (b) 0.10%; provided that if the Adjusted Term SOFR Rate as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

"Administrative Agent" has the meaning assigned to such term in the preamble hereto.

"Administrative Questionnaire" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

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

"Affiliate" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"Affiliated Lender" means a Lender that is an Affiliate of the Borrower or any other Group Member.

"Aggregate Maximum Credit Amounts" means, at any time, an amount equal to the sum of the Maximum Credit Amounts in effect at such time.

"Agreement" means this First Amended and Restated Senior Secured Revolving Credit Agreement, including the Schedules and Exhibits hereto, as the same may be amended, modified, supplemented, restated, replaced or otherwise modified from time to time.

"Alternate Base Rate" means, for any day, a rate *per annum* equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus ½ of 1% and (c) the Adjusted Term SOFR Rate for a one month Interest Period as published two U.S. Government Securities Business Days prior to such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1%; provided that for the purpose of this definition, the Adjusted Term SOFR Rate for any day shall be based on the Term SOFR Reference Rate at approximately 5:00 a.m. Chicago time on such day (or any amended publication time for the Term SOFR Reference Rate, as specified by the CME Term SOFR Administrator in the Term SOFR Reference Rate methodology). Any change in the Alternate Base Rate due to a change in the Prime Rate, the NYFRB Rate or the Adjusted Term SOFR Rate shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the Adjusted Term SOFR Rate, respectively. If the Alternate Base Rate is being used as an alternate rate of interest pursuant to Section 3.03 (for the avoidance of doubt, only until the Benchmark Replacement has been determined pursuant to Section 3.03(c)), then the Alternate Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above. If the Alternate Base Rate as determined pursuant to the foregoing would be less than 1.50%, such rate shall be deemed to be 1.50% for purposes of this Agreement.

"Ancillary Document" has the meaning assigned to such term in Section 12.06(a).

"Anti-Corruption Laws" means all laws, rules, and regulations of any jurisdiction applicable to the Borrower or any of its Affiliates from time to time concerning or relating to bribery or corruption.

"Applicable Margin" means, for any day, the applicable rate *per annum* set forth below as determined based upon the Borrowing Base Utilization Percentage then in effect:

Borrowing Base Utilization Percentage	≤ 25%	> 25% and ≤ 50%	> 50% and ≤ 75%	> 75% and ≤ 90%	> 90%
Term Benchmark Loans and RFR Loans	3.25%	3.50%	3.75%	4.00%	4.25%
ABR Loans	2.25%	2.50%	2.75%	3.00%	3.25%
Commitment Fee Rate	0.50%	0.50%	0.50%	0.50%	0.50%

Each change in the Applicable Margin shall apply during the period commencing on the effective date of such change in the Borrowing Base Utilization Percentage and ending on the date immediately preceding the effective date of the next such change; provided that, if at any time when the Applicable Margin is determined based on Borrowing Base Utilization Percentage the Borrower fails to deliver a Reserve Report pursuant to Section 8.11(a), then beginning on the date that is 30 calendar days from the date of such failure and until such Reserve Report is delivered, the "Applicable Margin" shall mean the rate *per annum* set forth on the grid when the Borrowing Base Utilization Percentage is at its highest level. It is understood that this definition of "Applicable Margin" shall be effective as of the Seventh Amendment Effective Date and shall apply as of the Seventh Amendment Effective Date, and that the prior definition of "Applicable Margin" applies at all times prior to the Seventh Amendment Effective Date.

"Applicable Parties" has the meaning assigned to such term in Section 11.14(c).

"Applicable Percentage" means, with respect to any Lender at any time, the percentage of the Aggregate Maximum Credit Amounts represented by such Lender's Maximum Credit Amount as such percentage is set forth on Annex I; provided further that when a Defaulting Lender shall exist, "Applicable Percentage" shall mean the percentage of the Aggregate Maximum Credit Amounts (disregarding any Defaulting Lender's Maximum Credit Amount) represented by such Lender's Maximum Credit Amount. As of the Closing Date, each Lender's Applicable Percentage is set forth on Annex I.

"Approved Counterparty" means (a) any Secured Swap Provider or (b) any other Person that has (or the credit support provider of such Person has) a long term senior unsecured debt or corporate credit rating of A- or A3 by S&P or Moody's (or their equivalent) or higher.

"Approved Electronic Platform" has the meaning assigned to such term in Section 11.14(a).

"Approved Fund" means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Approved Petroleum Engineers" means (a) Netherland, Sewell & Associates, Inc., (b) Ryder Scott Company Petroleum Consultants, L.P., (c) DeGolyer and MacNaughton, (d) Cawley, Gillespie & Associates, Inc. and (e) HJ Gruy and Associates.

"Arranger" means JPMorgan Chase Bank, N.A., in its capacity as the sole lead arranger and sole bookrunner hereunder.

"Assignee" has the meaning assigned to such term in Section 12.04(b)(i).

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 12.04(b)), and accepted by the Administrative Agent, substantially in the form of Exhibit G or any other form approved by the Administrative Agent.

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark (or component thereof) or payment period for interest calculated with reference to such Benchmark (or component thereof), as applicable, that is or may be used for determining the length of an Interest Period for any term rate or otherwise, for determining any frequency of making payments of interest calculated pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to clause (f) of Section 3.03.

"Availability Period" means the period from and including the Closing Date to but excluding the Termination Date.

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

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

"Bankruptcy Code" means The Bankruptcy Reform Act of 1978 as codified as 11 U.S.C. Section 101 *et seq*, as amended from time to time and any successor statute.

"Bankruptcy Event" means, with respect to any Person, such Person becomes the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business appointed for it, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment, provided that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof, provided, further, that such ownership interest does not result in or provide such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

"Benchmark" means, initially, with respect to any (a) RFR Loan, Daily Simple SOFR or (b) Term Benchmark Loan, the Term SOFR Rate; provided that if a Benchmark Transition Event and the related Benchmark Replacement Date have occurred with respect to Daily Simple SOFR or the Term SOFR Rate, as applicable, or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (c) of Section 3.03.

"Benchmark Replacement" means, for any Available Tenor, the sum of:

(a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for dollar-denominated syndicated credit facilities at such time in the United States and

(b) the related Benchmark Replacement Adjustment.

If the Benchmark Replacement as determined pursuant to the above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"Benchmark Replacement Adjustment" means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower for the applicable Corresponding Tenor giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date and/or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for dollar-denominated syndicated credit facilities at such time.

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement and/or any Term Benchmark Loan, any technical, administrative or operational changes (including changes to the definition of "Alternate Base Rate," the definition of "Business Day," the definition of "U.S. Government Securities Business Day," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"Benchmark Replacement Date" means, with respect to any Benchmark, the earliest to occur of the following events with respect to such then-current Benchmark:

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

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

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

"Benchmark Transition Event" means, with respect to any benchmark, the occurrence of one or more of the following events with respect to such then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

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

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

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

"Benchmark Unavailability Period" means, with respect to any Benchmark, the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (a) or (b) of that definition has occurred if, at such time, no Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 3.03 and (y) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 3.03.

"Beneficial Ownership Certification" means a certification regarding beneficial ownership or control as required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" means 31 C.F.R. § 1010.230.

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

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

"Board" means the Board of Governors of the Federal Reserve System of the United States of America or any successor Governmental Authority.

"Borrower" has the meaning assigned to such term in the preamble hereto.

"Borrowing" means Loans of the same Type, made, converted or continued on the same date and, in the case of Term Benchmark Loans, as to which a single Interest Period is in effect.

"Borrowing Base" means, at any time, an amount equal to the amount determined in accordance with Section 2.07, as the same may be adjusted from time to time pursuant to the Borrowing Base Adjustment Provisions. The Borrowing Base on the Closing Date shall be the amount set forth in Section 2.07(a).

"Borrowing Base Adjustment Provisions" means Section 2.08(a), Section 2.08(b) and Section 2.08(c) and any other provision hereunder which adjusts (as opposed to redetermines) the amount of the Borrowing Base.

"Borrowing Base Deficiency" occurs if, at any time, the total Revolving Credit Exposures exceeds the Borrowing Base then in effect; provided, that, for purposes of determining the existence and amount of any Borrowing Base Deficiency, obligations under any Letter of Credit will not be deemed to be outstanding to the extent such obligations are Cash Collateralized.

"Borrowing Base Properties" means the Oil and Gas Properties constituting Proved Reserves that (a) are included in the Initial Reserve Report and thereafter in the most recently delivered Reserve Report delivered pursuant to Section 8.11 and (b) are given Borrowing Base credit.

"Borrowing Base Utilization Percentage" means, as of any day, the fraction expressed as a percentage, the numerator of which is the sum of the Revolving Credit Exposures of the Lenders on such day, and the denominator of which is the Borrowing Base in effect on such day.

"Borrowing Base Value" means, with respect to any Oil and Gas Property constituting Proved Reserves or any Swap Agreement, the value attributed to such asset in connection with the most recent determination of the Borrowing Base as reasonably determined by the Administrative Agent.

"Borrowing Request" means a request by the Borrower substantially in the form of Exhibit B for a Borrowing in accordance with Section 2.03.

"Business Day" means any day (other than a Saturday or a Sunday) on which banks are open for business in New York City or Houston, Texas; and if such day relates to (a) a Borrowing or continuation of, a payment or prepayment of principal of or interest on, or a conversion of or into, or the Interest Period for, a Term Benchmark Loan or a notice by the Borrower with respect to any such Borrowing or continuation, payment, prepayment, conversion or Interest Period or (b) RFR Loans and any interest rate settings, fundings, disbursements, settlements or payments of any such RFR Loan, any day which is a U.S. Government Securities Business Day.

"Cash Collateralize" means, to pledge and deposit with or deliver to the Administrative Agent (in a manner reasonably satisfactory to the Administrative Agent and Issuing Bank, which shall require such deposit to made into a controlled account), for the benefit of any Issuing Bank, the Lenders or any Secured Parties and other Persons as the context requires, as collateral for LC Exposure or obligations of the Lenders to fund participations in respect of LC Exposure, cash or deposit account balances or, if the Administrative Agent and any applicable Issuing Bank shall agree, in their sole discretion, other credit support, in each case pursuant to documentation in form and substance satisfactory to the Administrative Agent and any such Issuing Bank. "Cash Collateral" shall have a meaning correlative to the foregoing and shall include the proceeds of such Cash Collateral and other credit support.

"Cash Equivalents" means (a) marketable direct obligations issued by, or unconditionally guaranteed by, the United States Government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one year from the date of acquisition; (b) certificates of deposit, time deposits, eurodollar time deposits or overnight bank deposits having maturities of six months or less from the date of acquisition issued by any Lender or by any commercial bank organized under the laws of the United States or any state thereof having combined capital and surplus of not less than $500,000,000; (c) commercial paper of an issuer rated at least A-1 by S&P or P-1 by Moody's Investors Service, Inc. ("Moody's"), or carrying an equivalent rating by a nationally recognized rating agency, if both of the two named rating agencies cease publishing ratings of commercial paper issuers generally, and maturing within six months from the date of acquisition or (d) repurchase obligations of any Lender or of any commercial bank satisfying the requirements of clause (b) of this definition, having a term of not more than 30 days, with respect to securities issued or fully guaranteed or insured by the United States government.

"Cash Management Agreement" means any agreement to provide cash management services, including treasury, depository, overdraft, credit or debit card, electronic funds transfer and other cash management arrangements.

"Casualty Event" means any loss, casualty or other insured damage to, or any nationalization, taking under power of eminent domain or by condemnation or similar proceeding of, any Property of any Group Member.

"Change in Control" means (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person (other than a Permitted Holder) or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the SEC thereunder as in effect on the date hereof) (other than a group of Permitted Holders) of Equity Interests representing more than 35% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of the Borrower, (b) occupation of a majority of the seats (other than vacant seats) on the board of directors of the Borrower by Persons who were not (i) directors of the Borrower on the date of this Agreement nor (ii) nominated or appointed by the board of directors of the Borrower, (c) the Borrower shall cease to own and control, of record and beneficially, directly or indirectly, 100% of each class of outstanding Equity Interest of each of its Restricted Subsidiaries (it being understood that the foregoing shall not restrict any Disposition of all the Equity Interests of a Restricted Subsidiary to the extent permitted hereunder) or (d) a Specified Change of Control shall have occurred.

"Change in Law" means the occurrence after the date of this Agreement of any of the following (a) the adoption of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) compliance by any Lender or Issuing Bank (or, for purposes of Section 5.01(b)), by any lending office of such Lender or by such Lender's or Issuing Bank's holding company, if any) with any request, rule, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines, requirements or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States of America or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted, issued or implemented.

"Closing Date" means the date on which the conditions specified in Section 6.01 are satisfied (or waived in accordance with Section 12.02).

"CME Term SOFR Administrator" means CME Group Benchmark Administration Limited as administrator of the forward-looking term Secured Overnight Financing Rate (SOFR) (or a successor administrator).

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and any successor statute.

"Collateral" means all Property of the Loan Parties, now owned or hereafter acquired, upon which a Lien is purported to be created by any Security Instrument.

"Commitment" means, with respect to each Lender, the commitment of such Lender to make or continue Loans and to acquire participations in Letters of Credit hereunder, expressed as an amount representing the maximum aggregate amount of such Lender's Revolving Credit Exposure hereunder, as such commitment may be (a) modified from time to time pursuant to Section 2.06, (b) modified from time to time pursuant to assignments by or to such Lender pursuant to Section 12.04(b) or (c) otherwise modified pursuant to the terms of this Agreement. The amount representing each Lender's Commitment shall at any time be the lesser of (i) such Lender's Maximum Credit Amount and (ii) such Lender's Applicable Percentage of the then effective Borrowing Base.

"Commitment Fee Rate" has the meaning assigned to such term in the definition of "Applicable Margin".

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 *et seq*.), as amended from time to time, and any successor statute.

"Communications" has the meaning assigned to such term in Section 11.14(c).

"Compliance Certificate" means the Compliance Certificate, signed by a Financial Officer, substantially in the form of Exhibit D.

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

"Consolidated Cash Balance" means, at any time, the aggregate amount of, without duplication (a) cash, (b) cash equivalents (including Cash Equivalents) and (c) any other marketable securities, treasury bonds and bills, certificates of deposit, investments in money market funds and commercial paper (any such amounts set forth in clause (a), clause (b) and clause (c) above, the "Cash Balance Amounts"), in each case, held or owned by (either directly or indirectly), credited to the account of or that would otherwise be required to be reflected as an asset on the balance sheet of, the Borrower or any other Group Member; provided that Consolidated Cash Balance shall exclude (i) any Cash Balance Amounts set aside to pay royalty obligations, working interest obligations, production payments and severance taxes of the Borrower or any Restricted Subsidiary then due and owing (or to be due and owing within five (5) Business Days) to third parties and for which the Borrower or such Restricted Subsidiary has issued checks or has initiated wires or ACH transfers (or will issue checks or initiate wires or ACH transfers within five (5) Business Days) in order to pay such amounts due and owing, (ii) any Cash Balance Amounts set aside to pay in the ordinary course of business amounts (other than obligations described in clause (i) above) of the Borrower or any of its Restricted Subsidiaries to third parties and for which the Borrower or such Restricted Subsidiary has issued checks or has initiated wires or ACH transfers in order to utilize such Cash Balance Amounts, (iii) any Cash Balance Amounts set aside to pay payroll, payroll taxes, other taxes, employee wage and benefit payments and trust and fiduciary obligations of the Borrower or any Restricted Subsidiary then due and owing (or to be due and owing within five (5) Business Days), (iv) any Cash Balance Amounts of the Borrower or any Restricted Subsidiary constituting a purchase price deposit held in escrow pursuant to a binding and enforceable purchase and sale agreement with a third party containing customary provisions regarding the payment and refunding of such deposits and (v) any Cash Balance Amounts in respect of cash equity contributions received by the Borrower after May 12, 2020.

"Consolidated Net Income" means with respect to the Borrower and the Consolidated Restricted Subsidiaries, for any period, the aggregate of the net income (or loss) of the Borrower and the Consolidated Restricted Subsidiaries after allowances for taxes for such period determined on a consolidated basis in accordance with GAAP; provided that there shall be excluded from such net income (to the extent otherwise included therein) the following: (a) the net income of any Person in which the Borrower or any Consolidated Restricted Subsidiary has an interest (other than a Consolidated Restricted Subsidiary), except to the extent of the amount of dividends or distributions actually paid in cash during such period by such other Person to the Borrower or to a Consolidated Restricted Subsidiary, as the case may be, from such other Person's net income; (b) the net income (but not loss) during such period of any Consolidated Restricted Subsidiary to the extent that the declaration or payment of dividends or similar distributions or transfers or loans by that Consolidated Restricted Subsidiary is not at the time permitted by operation of the terms of its charter or any agreement, instrument or Governmental Requirement applicable to such Consolidated Restricted Subsidiary or is otherwise restricted or prohibited; (c) the income (or loss) of any Person accrued prior to the date it becomes a Consolidated Restricted Subsidiary of the Borrower or is merged into or consolidated with the Borrower or any of its Consolidated Restricted Subsidiaries; (d) any extraordinary gains or losses or expenses during such period; (e) non-cash gains or losses under FASB ASC Topic 815 resulting from the net change in mark to market portfolio of commodity price risk management activities during that period; (f) any gains or losses attributable to writeups or writedowns of assets, including ceiling test writedowns; and (g) for any period commencing with the Fiscal Quarter ending March 31, 2022, any net after-tax gains or losses from the cancellation, unwinding, early extinguishment or conversion of (i) obligations arising under Swap Agreements and (ii) other derivative instruments.

"Consolidated Restricted Subsidiaries" means each Restricted Subsidiary of the Borrower (whether now existing or hereafter created or acquired) the financial statements of which shall be (or should have been) consolidated with the financial statements of the Borrower in accordance with GAAP.

"Consolidated Subsidiaries" means each Restricted Subsidiary of the Borrower (whether now existing or hereafter created or acquired) the financial statements of which are or shall be (or should have been) consolidated with the financial statements of the Borrower in accordance with GAAP.

"Consolidated Total Assets" means, as of any date of determination, the amount that would, in conformity with GAAP, be set forth opposite the caption "total assets" (or any like caption) on a consolidated balance sheet of the Borrower and the other Group Members.

"Control" means the power, directly or indirectly, to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Control Agreement" means a deposit account control agreement or securities account control agreement (or similar agreement), as applicable, in form and substance reasonably satisfactory to the Administrative Agent, executed by the applicable Loan Party, the Administrative Agent and the relevant financial institution party thereto. Such agreement shall provide a first priority perfected Lien in favor of the Administrative Agent, for the benefit of the Secured Parties, in the applicable Loan Party's Deposit Account and/or Securities Account.

"Controlled Account" means (a) a Deposit Account or Securities Account that is subject to a Control Agreement or (b) in the sole discretion of the Administrative Agent, a Deposit Account or Securities Account maintained with the Administrative Agent.

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

"Covered Entity" means any of the following:

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

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

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

"Covered Party" has the meaning assigned to such term in Section 12.21.

"Credit Party" means the Administrative Agent, any Issuing Bank or any other Lender.

"Current Assets" means, as of any date of determination, without duplication, the sum of all amounts that would, in accordance with GAAP, be set forth opposite the caption "total current assets" (or any like caption) on a consolidated balance sheet of the Borrower and the other Group Members at such date, plus the unused Commitments, but excluding all non-cash assets under FASB ASC Topic 815.

"Current Liabilities" means, as of any date of determination, without duplication, the sum of all amounts that would, in accordance with GAAP, be set forth opposite the caption "total current liabilities" (or any like caption) on a consolidated balance sheet of the Borrower and the other Group Members on such date, but excluding (a) all non-cash obligations under FASB ASC Topic 815 and (b) the current portion of the Loans under this Agreement.

"Current Ratio" means, with respect to the Borrower and the Consolidated Restricted Subsidiaries for any date of determination, the ratio of (a) Current Assets as of the last day of the most recently ended Fiscal Quarter (which may be such date of determination) to (b) Current Liabilities on such day.

"Daily Simple SOFR" means, for any day (a "SOFR Rate Day"), a rate *per annum* equal to SOFR for the day (such day "SOFR Determination Date") that is five U.S. Government Securities Business Days prior to (a) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (b) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator's Website. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Borrower.

"December 31 Reserve Report" has the meaning assigned to such term in Section 8.11(a).

"Default" means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"Defaulting Lender" means any Lender that (a) has failed, within two Business Days of the date required to be funded or paid, to (i) fund any portion of its Loans, (ii) fund any portion of its participations in Letters of Credit or (iii) pay over to the Administrative Agent, any Issuing Bank or any other Lender any other amount required to be paid by it hereunder, unless, in the case of clause (i) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender's good faith determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Borrower, the Administrative Agent or any Issuing Bank in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations under this Agreement (unless such writing or public statement indicates that such position is based on such Lender's good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding a Loan under this Agreement cannot be satisfied) or generally under other agreements in which it commits to extend credit, (c) has failed, within three Business Days after request by the Administrative Agent, acting in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its obligations (and is financially able to meet such obligations) to fund prospective Loans and participations in then outstanding Letters of Credit under this Agreement; provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon the Administrative Agent's receipt of such certification in form and substance satisfactory to it, or (d) has become the subject of a Bankruptcy Event, or Bail-In Action.

"Deficiency Date" has the meaning assigned to such term in Section 3.04(c)(ii).

"Deposit Account" has the meaning assigned to such term in the UCC.

"Disposition" means, with respect to any property, any sale, lease, sale and leaseback, assignment, conveyance, transfer, casualty, condemnation or other disposition thereof (in one transaction or in a series of transactions and whether effected pursuant to a division or otherwise). The terms "Dispose" and "Disposed of" shall have correlative meanings.

"Disqualified Capital Stock" means any Equity Interest that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable) or upon the happening of any event, matures or is mandatorily redeemable for any consideration other than other Equity Interests (which would not constitute Disqualified Capital Stock), pursuant to a sinking fund obligation or otherwise, or is convertible or exchangeable for Indebtedness or redeemable for any consideration other than other Equity Interests (which would not constitute Disqualified Capital Stock) at the option of the holder thereof, in whole or in part, on or prior to the date that is one year after the earlier of (a) the Maturity Date and (b) the date on which there are no Loans, LC Exposure or other Secured Obligations outstanding and all of the Commitments are terminated.

"Documentation Agent" means the Documentation Agent identified on the cover page of this Agreement.

"Dollar Denominated Production Payments" means production payment obligations recorded as liabilities in accordance with GAAP, together with all undertakings and obligations in connection therewith.

"dollars" or "$" refers to lawful money of the United States of America.

"Domestic Subsidiary Group Member" means any Restricted Subsidiary (a) that is organized under the laws of the United States of America or any state thereof or the District of Columbia and (b) that is not a Foreign Group Member.

"EBITDA" means, for any period, the sum of Consolidated Net Income for such period plus the following expenses or charges to the extent deducted from Consolidated Net Income in such period: (i) interest, (ii) federal and state income taxes, (iii) depreciation, depletion, amortization and other similar noncash charges, (iv) [reserved], (v) [reserved] and (vi) [reserved], minus all noncash income (including cancellation of indebtedness income) added to Consolidated Net Income (excluding any such noncash item to the extent it represents the reversal of an accrual or reserve for potential cash item in any prior period); provided that any realized cumulative cash gains or losses resulting from the settlement of commodity price risk contracts on or prior to December 31, 2020 and not included in Consolidated Net Income shall, to the extent not included, be added to EBITDA in the case of such gains and subtracted from EBITDA in the case of such losses (provided that (x) in all events any such realized cumulative cash gains or losses shall be applied in equal monthly installments across the term which would have been in effect had such applicable commodity price risk contract not been settled and (y) for the avoidance of doubt, any realized cumulative cash gains and losses with respect to the cancellation, unwinding, early extinguishment or conversion of obligations arising under Swap Agreements and other derivative instruments, in each case, on or after January 1, 2021 shall not be added to EBITDA to the extent not included in Consolidated Net Income); provided, further, that for the purposes of calculating EBITDA for any period of four consecutive Fiscal Quarters (or less in the case of any period during which the calculation of EBITDA is being annualized for purposes of the financial covenant calculations in Section 9.01) (each, a "Reference Period"), (a) if during such Reference Period (or, in the case of pro forma calculations, during the period from the last day of such Reference Period to and including the date as of which such calculation is made) the Borrower or any Consolidated Restricted Subsidiary shall have made a Material Disposition or Material Acquisition, EBITDA (including Consolidated Net Income) for such Reference Period shall be calculated after giving pro forma effect thereto as if such Material Disposition or Material Acquisition by the Borrower or its Consolidated Restricted Subsidiaries occurred on the first day of such Reference Period (with the Reference Period for the purposes of pro forma calculations being the most recent period of four consecutive Fiscal Quarters for which the relevant financial information is available) and (b) if any calculations in the foregoing clause (a) are made on a pro forma basis, such pro forma adjustments are factually supportable and subject to supporting documentation and otherwise acceptable to the Administrative Agent. As used in this definition, "Material Acquisition" means any acquisition by the Borrower or its Consolidated Restricted Subsidiaries of property or series of related acquisitions of property that involves consideration in excess of $5,000,000, and "Material Disposition" means any Disposition or series of related Dispositions that yields gross proceeds to the Borrower or any Consolidated Restricted Subsidiary in excess of $5,000,000. For avoidance of doubt, amounts added back or subtracted from Consolidated Net Income pursuant to this definition shall be without duplication of gains or losses excluded from Consolidated Net Income.

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

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

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

"Eighth Amendment" means that certain Eighth Amendment to First Amended and Restated Senior Secured Revolving Credit Agreement, dated as of November 12, 2021, among the Borrower, the Guarantors, the Administrative Agent and the Lenders party thereto.

"Eighth Amendment Effective Date" has the meaning assigned to such term in the Eighth Amendment.

"Electronic Signature" means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

"Engineering Reports" has the meaning assigned to such term in Section 2.07(c)(i).

"Environmental Laws" means all Governmental Requirements relating to the environment, the preservation or reclamation of natural resources, the regulation or management of any harmful or deleterious substances, or to health and safety as it relates to environmental protection or exposure to harmful or deleterious substances.

"Environmental Permit" means any permit, registration, license, notice, approval, consent, exemption, variance, or other authorization required under or issued pursuant to applicable Environmental Laws.

"Equity Interests" means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such Equity Interest.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute.

"ERISA Affiliate" means any entity (whether or not incorporated) which together with the Borrower or a Subsidiary would be treated as a single employer under Section 4001(b)(1) of ERISA or Section 414(b) or (c) of the Code or, for purposes of provisions relating to Section 412 of the Code and Section 302 of ERISA, Section 414 (m) or (o) of the Code.

"ERISA Event" means (a) a Reportable Event, (b) the withdrawal of the Borrower, any other Group Member or any ERISA Affiliate from a Plan subject to Section 4063 of ERISA during a plan year in which it was a "substantial employer" as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA, (c) a complete or partial withdrawal by the Borrower, any other Group Member or any ERISA Affiliate from a Multiemployer Plan; (d) the filing (or the receipt by any Group Member or any ERISA Affiliate) of a notice of intent to terminate a Plan under Section 4041(c) of ERISA or the treatment of a Plan amendment as a termination under Section 4041 of ERISA, (d) the institution of proceedings to terminate a Plan by the PBGC, (e) the receipt by any Group Member or any ERISA Affiliate of a notice of withdrawal liability pursuant to Section 4202 of ERISA, (f) any other event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan or the incurrence by any Group Member or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan, including but not limited to the imposition of any Lien in favor of the PBGC, (g) on and after the effectiveness of the Pension Act, a determination that a Plan is, or would be expected to be, in "at risk" status (as defined in 303(i)(4) of ERISA or 430(i)(4) of the Code) or (h) the failure of any Group Member or any ERISA Affiliate to make by its due date, after expiration of any applicable grace period, a required installment under Section 430(j) of the Code with respect to any Plan or any failure by any Plan to satisfy the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA) applicable to such Plan, whether or not waived, or the failure by the Borrower, any other Group Member or any of their respective ERISA Affiliates to make any required contribution to a Multiemployer Plan.

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

"Event of Default" has the meaning assigned to such term in Section 10.01.

"Excepted Liens" means: (a) Liens for Taxes, assessments or other governmental charges or levies which are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP; (b) Liens in connection with workers' compensation, unemployment insurance or other social security, old age pension or public liability obligations which are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP; (c) statutory landlord's liens, operators', vendors', carriers', warehousemen's, repairmen's, mechanics', suppliers', workers', materialmen's, construction or other like Liens arising by operation of law in the ordinary course of business or incident to the exploration, development, operation and maintenance of Oil and Gas Properties each of which is in respect of obligations that are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP; (d) contractual Liens which arise in the ordinary course of business under operating agreements, joint venture agreements, oil and gas partnership agreements, oil and gas leases, farm-out agreements, division orders, contracts for the sale, transportation or exchange of oil and natural gas, unitization and pooling declarations and agreements, area of mutual interest agreements, overriding royalty agreements, marketing agreements, processing agreements, net profits agreements, development agreements, gas balancing or deferred production agreements, injection, repressuring and recycling agreements, salt water or other disposal agreements, seismic or other geophysical permits or agreements, and other agreements, in each case, which are usual and customary in the oil and gas business and are for claims which are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP, provided that any such Lien referred to in this clause does not materially impair (i) the use of the Property covered by such Lien for the purposes for which such Property is held by the Borrower or any other Group Member or (ii) the value of such Property subject thereto; (e) Liens arising by virtue of any statutory or common law provision or customary deposit account terms relating to banker's liens, rights of set-off or similar rights and remedies and burdening only deposit accounts or other funds maintained with a creditor depository institution, provided that no such deposit account is a dedicated cash collateral account or is subject to restrictions against access by the depositor in excess of those set forth by regulations promulgated by the Board and no such deposit account is intended by Borrower or any other Group Member to provide collateral to the depository institution; (f) zoning and land use requirements, easements, restrictions, servitudes, permits, conditions, covenants, exceptions or reservations in any Property of the Borrower or any other Group Member for the purpose of roads, pipelines, transmission lines, transportation lines, distribution lines for the removal of gas, oil, coal or other minerals or timber, and other like purposes, or for the joint or common use of real estate, rights of way, facilities and equipment, that do not secure any monetary obligations and which in the aggregate do not materially impair (i) the use of such Property for the purposes of which such Property is held by the Borrower or any other Group Member or (ii) the value of such Property subject thereto; (g) Liens on cash or securities pledged to secure performance of tenders, surety and appeal bonds, government contracts, performance and return of money bonds, bids, trade contracts, leases, statutory obligations, regulatory obligations and other obligations of a like nature, in each case, incurred in the ordinary course of business; (h) judgment and attachment Liens not giving rise to an Event of Default, provided that any appropriate legal proceedings which may have been duly initiated for the review of such judgment shall not have been finally terminated or the period within which such proceeding may be initiated shall not have expired and no action to enforce such Lien has been commenced; (i) Liens, titles and interests of lessors of personal Property leased by such lessors to the Borrower or any other Group Member, restrictions and prohibitions on encumbrances and transferability with respect to such Property and the Borrower's or such Group Member's interests therein imposed by such leases, and Liens and encumbrances encumbering such lessors' titles and interests in such Property and to which the Borrower's or such Group Member's leasehold interests may be subject or subordinate, in each case, whether or not evidenced by UCC financing statement filings or other documents of record; provided that such Liens do not secure Indebtedness of the Borrower or any other Group Member and do not encumber Property of the Borrower or any other Group Member other than the Property that is the subject of such leases and (j) Liens, titles and interests of licensors of software and other intangible personal Property licensed by such licensors to the Borrower or any other Group Member, restrictions and prohibitions on encumbrances and transferability with respect to such Property and the Borrower's or such Group Member's interests therein imposed by such licenses, and Liens and encumbrances encumbering such licensors' titles and interests in such Property and to which the Borrower's or such Group Member's license interests may be subject or subordinate, in each case, whether or not evidenced by UCC financing statement filings or other documents of record; provided that such Liens do not secure Indebtedness of the Borrower or any other Group Member and do not encumber Property of the Borrower or any other Group Member other than the Property that is the subject of such licenses; provided, further that Liens described in clauses (a) through (e) shall remain "Excepted Liens" only for so long as no action to enforce such Lien has been commenced and no intention to subordinate the Liens granted in favor of the Administrative Agent and the Lenders is to be hereby implied or expressed by the permitted existence of any Excepted Liens.

"Excluded Accounts" means (a) each account all or substantially all of the deposits in which consist of amounts utilized to fund payroll, employee benefit or tax obligations of the Borrower and its Subsidiaries, (b) fiduciary accounts, (c) to the extent necessary or desirable to comply with the terms of a binding purchase agreement, escrow accounts holding amounts on deposit in connection with a binding purchase agreement to the extent that and for so long as such amounts are refundable to the buyer, (d) "zero balance" accounts and (e) other accounts so long as the aggregate average daily maximum balance in any such other account over a 30-day period does not at any time exceed $2,500,000; provided that the aggregate daily maximum balance for all such bank accounts excluded pursuant to this clause (d) on any day shall not exceed $5,000,000.

"Excluded Swap Obligation" means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, and only for so long as, all or a portion of the guarantee of such Guarantor of, or the grant by such Guarantor of a security interest to secure, as applicable, such Swap Obligation (or any guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor's failure to constitute an "eligible contract participant," as defined in the Commodity Exchange Act and the regulations thereunder, at the time the guarantee of (or grant of such security interest by, as applicable) such Guarantor becomes or would become effective with respect to such Swap Obligation.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Credit Party or required to be withheld or deducted from a payment to a Credit Party: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Credit Party being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 5.05) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 5.03, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender acquired the applicable interest in a Loan or Commitment or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Credit Party's failure to comply with Section 5.03(g) and (d) any U.S. federal withholding Taxes imposed under FATCA.

"Existing Credit Agreement" has the meaning assigned to such term in the recitals hereto.

"Existing Letters of Credit" means the letters of credit described on Schedule 1.02 that were issued under the Existing Credit Agreement and that shall be transferred to and deemed issued under this Agreement, as such letters of credit may be renewed or amended from time to time.

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

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code and any law, regulation, rule, promulgation or official agreement implementing an official government agreement with respect to the foregoing.

"FCA" has the meaning assigned to such term in Section 1.08.

"FCPA" means the Foreign Corrupt Practices Act of 1977, as amended.

"Federal Funds Effective Rate" means, for any day, the rate calculated by the NYFRB based on such day's federal funds transactions by depositary institutions (as determined in such manner as shall be set forth on the NYFRB's Website from time to time) and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate; provided that if the Federal Funds Effective Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"Finance Lease Obligations" means, with respect to any Person, the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as finance leases on a balance sheet of such Person under GAAP and, for the purposes of this Agreement, the amount of such obligations at any time shall be the capitalized amount thereof at such time determined in accordance with GAAP.

"Financial Officer" means, for any Person, the chief executive officer, chief financial officer, principal accounting officer or treasurer of such Person. Unless otherwise specified, all references herein to a Financial Officer means a Financial Officer of the Borrower.

"Fiscal Quarter" means each fiscal quarter for accounting and tax purposes, ending on the last day of each March, June, September and December.

"Fiscal Year" means each fiscal year for accounting and tax purposes, ending on December 31 of each year.

"Flood Insurance Regulations" means (a) the National Flood Insurance Act of 1968 as now or hereafter in effect or any successor statute thereto, (b) the Flood Disaster Protection Act of 1973 as now or hereafter in effect or any successor statue thereto, (c) the National Flood Insurance Reform Act of 1994 (amending 42 USC 4001, *et seq*.), as the same may be amended or recodified from time to time, (d) the Flood Insurance Reform Act of 2004 and (e) the Biggert Waters Flood Reform Act of 2012, and any regulations promulgated thereunder.

"Floor" means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the Adjusted Term SOFR Rate or Adjusted Daily Simple SOFR. For the avoidance of doubt, the initial Floor as of the Eighth Amendment Effective Date for the Adjusted Term SOFR Rate and Adjusted Daily Simple SOFR shall be 0.50%.

"Foreign Group Member" means, any Group Member that is a Subsidiary of the Borrower which (a) is not organized under the laws of the United States of America or any state thereof or the District of Columbia or (b) is a FSHCO.

"Fourth Amendment" means that certain Fourth Amendment to First Amended and Restated Senior Secured Revolving Credit Agreement, dated and effective as of November 6, 2018, among the Borrower, the Guarantors, the Administrative Agent and the Lenders.

"Fourth Amendment Effective Date" has the meaning assigned to such term in the Fourth Amendment.

"FSHCO" means any Subsidiary substantially all of the assets of which consist of Equity Interests in one or more Subsidiaries that are "controlled foreign corporations" within the meaning of Section 957 of the Code.

"GAAP" means generally accepted accounting principles in the United States of America as in effect from time to time subject to the terms and conditions set forth in Section 1.05.

"Governmental Authority" means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"Governmental Requirement" means any law (including common law), statute, code, ordinance, order, determination, rule, regulation, judgment, decree, injunction, franchise, permit, certificate, license, authorization or other directive or requirement, whether now or hereinafter in effect, including energy regulations and occupational, safety and health standards or controls, of any Governmental Authority.

"Group Members" means the collective reference to the Borrower and its Restricted Subsidiaries.

"Guarantee and Collateral Agreement" means an agreement executed by the Guarantors in substantially the form of Exhibit F-2, as the same may be amended, modified or supplemented from time to time.

"Guarantors" means:

(a) SilverBow Resources Operating, LLC, a Texas limited liability company, and

(b) each other Domestic Subsidiary Group Member that is a Material Subsidiary that guarantees the Secured Obligations pursuant to Section 8.13(b) or any other Group Member that guarantees the Secured Obligations at the election of the Borrower.

"Hazardous Material" means any chemical, compound, material, product, byproduct, substance or waste that is defined, regulated or otherwise classified as a "hazardous substance," "hazardous material," "hazardous waste," "solid waste," "toxic waste," "extremely hazardous substance," "toxic substance," "contaminant," "pollutant," or words of similar meaning under any applicable Environmental Law, and for the avoidance of doubt includes Hydrocarbons, radioactive materials, explosives, asbestos or asbestos containing materials, polychlorinated biphenyls, radon, and infectious or medical wastes.

"Highest Lawful Rate" means, as to any Lender, at the particular time in question, the maximum non-usurious rate of interest which, under applicable law, such Lender is then permitted to contract for, charge or collect from the Borrower on the Loans or the other obligations of the Borrower hereunder, and as to any other Person, at the particular time in question, the maximum non-usurious rate of interest which, under applicable law, such Person is then permitted to contract for, charge or collect with respect to the obligation in question. If the maximum rate of interest which, under applicable law, the Lenders are permitted to contract for, charge or collect from the Borrower on the Loans or the other obligations of the Borrower hereunder shall change after the date hereof, the Highest Lawful Rate shall be automatically increased or decreased, as the case may be, as of the effective time of such change without notice to the Borrower or any other Person.

"Hydrocarbon Interests" means all rights, titles, interests and estates now or hereafter acquired in and to oil and gas leases, oil, gas and mineral leases, or other liquid or gaseous hydrocarbon leases, mineral fee interests, overriding royalty and royalty interests, net profit interests and production payment interests, including any reserved or residual interests of whatever nature. Unless otherwise indicated herein, each reference to the term "Hydrocarbon Interests" shall mean Hydrocarbon Interests of the Borrower or any other Group Member, as the context requires.

"Hydrocarbons" means all oil, gas, casinghead gas, drip gasoline, natural gasoline, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons and all constituents, elements or compounds thereof and all products refined or separated therefrom and all other minerals which may be produced and saved from or attributable to the Oil and Gas Properties of any Person, including all oil in tanks, and all rents, issues, profits, proceeds, products, revenues and other incomes from or attributable to the Hydrocarbon Interests or other properties constituting Oil and Gas Properties.

"Indebtedness" means, for any Person, the sum of the following (without duplication): (a) all obligations of such Person for borrowed money or evidenced by bonds, bankers' acceptances, debentures, notes or other similar instruments; (b) all obligations of such Person (whether contingent or otherwise) in respect of letters of credit, bank guarantees, surety or other bonds and similar instruments; (c) all accounts payable and all accrued expenses, liabilities or other obligations of such Person to pay the deferred purchase price of Property or services (including insurance premium payables) that are one hundred twenty (120) days past the date of invoice, other than those which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP; (d) all Finance Lease Obligations; (e) all Indebtedness (as defined in the other clauses of this definition) of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) a Lien on any Property of such Person, whether or not such Indebtedness is assumed by such Person; (f) all Indebtedness (as defined in the other clauses of this definition) of others guaranteed by such Person or in which such Person otherwise assures a creditor against loss of the Indebtedness (howsoever such assurance shall be made) to the extent of the lesser of the amount of such Indebtedness and the maximum stated amount of such guarantee or assurance against loss; (g) all obligations or undertakings of such Person to maintain or cause to be maintained the financial position or covenants of others or to purchase the Indebtedness or Property of others; (h) any undischarged balance of any Volumetric Production Payments and any Dollar Denominated Production Payments; (i) all obligations of such Person under take/ship or pay contracts if any goods or services are not actually received or utilized by such Person; (j) any Indebtedness of a partnership for which such Person is liable either by agreement, by operation of law or by a Governmental Requirement but only to the extent of such liability; (k) Disqualified Capital Stock (for purposes hereof, the amount of any Disqualified Capital Stock shall be its liquidation value and, without duplication, the amount of all obligations of such Person with respect to the redemption, repayment or other repurchase in respect of Disqualified Capital Stock); (l) net Swap Obligations of such Person (for purposes hereof, the amount of any net Swap Obligations on any date shall be deemed to be the Swap Termination Value thereof as of such date) and (m) the undischarged balance of any production payment created by such Person or for the creation of which such Person directly or indirectly received payment. The Indebtedness of any Person shall include all obligations of such Person of the character described above to the extent such Person remains legally liable in respect thereof notwithstanding that any such obligation is not included as a liability of such Person under GAAP.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in clause (a) above, Other Taxes.

"Indemnitee" has the meaning assigned to such term in Section 12.03(b).

"Information" has the meaning assigned to such term in Section 12.11.

"Initial Reserve Report" means the report of HJ Gruy and Associates dated as of January 24, 2017, with respect to certain Oil and Gas Properties of the Borrower and the other Group Members as of December 31st, 2016.

"Intercreditor Agreement" means that certain Intercreditor Agreement, dated as of December 15, 2017, by and among the Borrower, the other Guarantors, the Administrative Agent and the Second Lien Administrative Agent, as such agreement may be amended, restated, amended and restated, supplemented or otherwise modified from time to time.

"Interest Election Request" means a request by the Borrower substantially in the form of Exhibit C to convert or continue a Borrowing in accordance with Section 2.04.

"Interest Payment Date" means (a) with respect to any ABR Loan, the last day of each March, June, September and December (or, if an Event of Default is in existence, the last day of each calendar month) to occur while such Loan is outstanding and the final maturity date of such Loan, (b) with respect to any RFR Loan, (i) each date that is on the numerically corresponding day in each calendar month that is one month after the Borrowing of such Loan (or, if there is no such numerically corresponding day in such month, then the last day of such month) and (ii) the final maturity date of such Loan, (c) with respect to any Term Benchmark Loan, (i) the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Term Benchmark Borrowing with an Interest Period of more than three months' duration, each day prior to the last day of such Interest Period that occurs at intervals of three months' duration after the first day of such Interest Period and (ii) the final maturity date of such Loan.

"Interest Period" means with respect to any Term Benchmark Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, three or six months thereafter (in each case, subject to the availability for the Benchmark applicable to the relevant Loan or Commitment), as the Borrower may elect in its Borrowing Request or Interest Election Request, as applicable, given with respect thereto; provided that (a) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (b) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period and (c) no tenor that has been removed from this definition pursuant to Section 3.03(f) shall be available for specification in such Borrowing Request or Interest Election Request. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

"Interim Redetermination" has the meaning assigned to such term in Section 2.07(b).

"Interim Redetermination Date" means the date on which a Borrowing Base that has been redetermined pursuant to an Interim Redetermination becomes effective as provided in Section 2.07(d).

"Investment" means, for any Person: (a) the acquisition (whether for cash, Property, services or securities or otherwise) of Equity Interests of any other Person or any agreement to make any such acquisition (including any "short sale" or any sale of any securities at a time when such securities are not owned by the Person entering into such short sale); (b) the making of any deposit with, or advance, loan or capital contribution to, assumption of Indebtedness of, purchase or other acquisition of any other Indebtedness of, or equity participation or interest in, or other extension of credit to, any other Person (including the purchase of Property from another Person subject to an understanding or agreement, contingent or otherwise, to resell such Property to such Person, but excluding any such advance, loan or extension of credit having a term not exceeding ninety (90) days representing the purchase price of inventory, goods, supplies or services sold by such Person in the ordinary course of business); (c) the purchase or acquisition (in one or a series of transactions) of Property of another Person constituting a business unit or Oil and Gas Properties; or (d) the entering into of any guarantee of, or other contingent obligation (including the deposit of any Equity Interests to be sold) with respect to, Indebtedness or other liability of any other Person and (without duplication) any amount committed to be advanced, lent or extended to such Person.

"Issuing Bank" means (a) JPMorgan Chase Bank, N.A. and (b) and each Lender approved by the Administrative Agent that is reasonably requested by the Borrower that agrees to act as an issuer of Letters of Credit hereunder, in each case, in its capacity as the issuer of Letters of Credit hereunder, and its successors in such capacity as provided in Section 2.09(i). Any Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by its Affiliates, in which case the term "Issuing Bank" shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate. References herein and in the other Loan Documents to an Issuing Bank shall be deemed to refer to such Issuing Bank in respect of the applicable Letter of Credit or to all Issuing Banks, as the context requires.

"LC Availability Requirements" has the meaning assigned to such term in Section 2.09(a).

"LC Commitment" means an amount equal to $25,000,000. For the avoidance of doubt, the LC Commitment is part of, and not in addition to, the aggregate Commitments.

"LC Disbursement" means a payment made by an Issuing Bank pursuant to a Letter of Credit.

"LC Exposure" means, at any time, (a) the aggregate undrawn amount of all outstanding Letters of Credit at such time plus (b) the aggregate amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Borrower at such time. The LC Exposure of any Lender at any time shall be its Applicable Percentage of the total LC Exposure at such time.

"Lender Parent" means, with respect to any Lender, any Person as to which such Lender is, directly or indirectly, a Subsidiary.

"Lender-Related Person" has the meaning assigned to such term in Section 12.03(d).

"Lenders" means the Persons listed on Annex I and any Person that shall have become a party hereto pursuant to an Assignment and Assumption or otherwise that is in the Register, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption or otherwise and is no longer in the Register.

"Letter of Credit" means any letter of credit issued pursuant to this Agreement.

"Letter of Credit Agreements" means all letter of credit applications and other agreements (including any amendments, modifications or supplements thereto) submitted by the Borrower, or entered into by the Borrower, with an Issuing Bank relating to any Letter of Credit.

"Lien" means any interest in Property securing an obligation owed to, or a claim by, a Person other than the owner of the Property, whether such interest is based on the common law, statute or contract, and whether such obligation or claim is fixed or contingent, and including but not limited to (a) the lien or security interest arising from a mortgage, encumbrance, pledge, security agreement, conditional sale or trust receipt or a lease, consignment or bailment for security purposes or (b) production payments and the like payable out of Oil and Gas Properties. The term "Lien" shall include easements, restrictions, servitudes, permits, conditions, covenants, exceptions or reservations, including if they burden Property to the extent they secure an obligation owed to a Person other than the owner of the Property. For the purposes of this Agreement, the Borrower and the other Group Members shall be deemed to be the owner of any Property which they have acquired or hold subject to a conditional sale agreement, or leases under a financing lease or other arrangement pursuant to which title to the Property has been retained by or vested in some other Person in a transaction intended to create a financing.

"Loan Documents" means this Agreement, the Security Instruments, any Notes, any Letter of Credit Agreements and the Letters of Credit.

"Loan Party" means the Borrower and each Guarantor.

"Loans" means the loans made by the Lenders to the Borrower pursuant to this Agreement.

"Majority Lenders" means (a) at any time while no Loans or LC Exposure are outstanding, Lenders having greater than fifty percent (50%) of the Aggregate Maximum Credit Amounts and (b) at any time while any Loans or LC Exposure are outstanding, Lenders holding greater than fifty percent (50%) of the outstanding aggregate principal amount of the Loans and participation interests in Letters of Credit (without regard to any sale by a Lender of a participation in any Loan under Section 12.04(c)).

"Material Adverse Effect" means a material adverse change in, or material adverse effect on (a) the business, operations, Property, condition (financial or otherwise) of the Borrower and the other Group Members taken as a whole, (b) the ability of the Borrower or any other Loan Party to perform any of its obligations under any Loan Document, (c) the validity or enforceability of any Loan Document or (d) the rights and remedies of or benefits available to the Administrative Agent or any other Agent, Issuing Bank or Lender under any Loan Document.

"Material Indebtedness" means Indebtedness (other than the Loans and Letters of Credit), of any one or more Group Member in an aggregate principal amount exceeding $15,000,000. For purposes of determining Material Indebtedness, the "principal amount" of the obligations of any Group Member in respect of any Swap Agreement at any time shall be the Swap Termination Value.

"Material Subsidiary" means, at any date of determination, each Restricted Subsidiary of the Borrower (a) whose Total Assets (when combined with the assets of such Restricted Subsidiary's Subsidiaries) at the last day of the most recent Fiscal Quarter of the Borrower for which financial statements were required to be delivered pursuant to Section 8.01 were equal to or greater than five percent (5.0%) of the Consolidated Total Assets of the Borrower and the Restricted Subsidiaries at such date or (b) whose revenues (when combined with the revenues of such Restricted Subsidiary's Subsidiaries) at the last day of the most recent Fiscal Quarter of the Borrower for which financial statements were required to be delivered pursuant to Section 8.01 were equal to or greater than five percent (5.0%) of the consolidated revenues of the Borrower and the Restricted Subsidiaries at the last day of the most recent Fiscal Quarter of the Borrower for which financial statements were required to be delivered pursuant to Section 8.01, in each case determined in accordance with GAAP; provided that if, at any time and from time to time after the Seventh Amendment Effective Date, Restricted Subsidiaries that are not Material Subsidiaries have, in the aggregate, (i) Total Assets (when combined with the assets of such Restricted Subsidiary's Subsidiaries) as of the last day of such Fiscal Quarter that equal, or exceed, seven and a half percent (7.5%) of the Consolidated Total Assets of the Borrower and the Restricted Subsidiaries as of such date or (ii) revenues (when combined with the revenues of such Restricted Subsidiary's Subsidiaries) during such period that equal or exceed seven and a half percent (7.5%) of the consolidated revenues of the Borrower and the Restricted Subsidiaries for such period, in each case, determined in accordance with GAAP, then the term "Material Subsidiary" shall include each such Restricted Subsidiary (starting with the Restricted Subsidiary that accounts for the most revenues or Consolidated Total Assets and then in descending order) necessary to account for at least ninety-two and a half percent (92.5%) of the consolidated gross revenues and ninety-two and a half percent (92.5%) of the Consolidated Total Assets, each as described in the previous sentence, so that the remaining non-Material Subsidiaries no longer satisfy such condition; provided further that, notwithstanding the foregoing, each Restricted Subsidiary that owns Oil and Gas Properties for which Borrowing Base credit is given, or is to be given in an upcoming redetermination, shall be a Material Subsidiary.

"Maturity Date" means April 19, 2024.

"Maximum Credit Amount" means, as to each Lender, the amount set forth opposite such Lender's name on Annex I under the caption "Maximum Credit Amounts", as the same may be (a) reduced or terminated from time to time in connection with a reduction or termination of the Aggregate Maximum Credit Amounts pursuant to Section 2.06, (b) modified from time to time pursuant to any assignment permitted by Section 12.04(b) or (c) or otherwise modified pursuant to the terms of this Agreement. As of the Eighth Amendment Effective Date, the aggregate Maximum Credit Amounts of the Lenders are $1,000,000,000.

"Moody's" means Moody's Investors Service, Inc. and any successor thereto that is a nationally recognized rating agency.

"Mortgage" means each of the mortgages or deeds of trust executed by any one or more Loan Parties for the benefit of the Secured Parties as security for the Secured Obligations, together with any supplements, modifications or amendments thereto and assumptions or assignments of the obligations thereunder by any Loan Party. "Mortgages" shall mean all of such Mortgages collectively.

"Mortgaged Property" means any Property owned by any Loan Party which is subject to the Liens existing and to exist under the terms of the Security Instruments.

"Multiemployer Plan" means a multiemployer plan as defined in Section 3(37) or 4001(a)(3) of ERISA.

"Net Proceeds" means the aggregate cash proceeds received by any Group Member in respect of any Disposition of Property (including any cash subsequently received upon the sale or other Disposition or collection of any non-cash consideration received in any sale), any Unwind of Swap Agreements, any incurrence of Indebtedness, or Casualty Event, net of, unless the Loans have been declared or become due and payable as a result of an Event of Default described in Section 10.01(h) or Section 10.01(i) (or after the occurrence and during the continuation of an Event of Default described in Section 10.01(h) or Section 10.01(i)), (a) the direct costs relating to such sale of Property, incurrence of Indebtedness or any Casualty Event (including legal, accounting and investment banking fees, and sales commissions paid to unaffiliated third parties), (b) taxes paid or payable as a result thereof (after taking into account any tax credits or deductions utilized or reasonably expected to be utilized and any tax sharing arrangements) and (c) Indebtedness (other than the Secured Obligations) which is secured by a Lien upon any of the assets being sold that is senior to any Lien created by the Loan Documents with respect to such assets and which must be repaid as a result of such sale.

"New Borrowing Base Notice" has the meaning assigned to such term in Section 2.07(d).

"New Debt" has the meaning assigned to such term in the definition of Permitted Refinancing Indebtedness.

"Non-U.S. Lender" means a Lender, with respect to the Borrower, that is not a U.S. Person.

"Notes" means the promissory notes, if any, of the Borrower described in Section 2.02(d) and being substantially in the form of Exhibit A, together with all amendments, modifications, replacements, extensions and rearrangements thereof.

"NYFRB" means the Federal Reserve Bank of New York.

"NYFRB Rate" means, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Funding Rate in effect on such day (or for any day that is not a Banking Day, for the immediately preceding Banking Day); provided that if none of such rates are published for any day that is a Business Day, the term "NYFRB Rate" means the rate for a federal funds transaction quoted at 11:00 a.m. on such day received to the Administrative Agent from a Federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"NYFRB's Website" means the website of the NYFRB at http://www.newyorkfed.org, or any successor source.

"OFAC" means the Office of Foreign Assets Control of the United States Department of the Treasury.

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

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

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

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 5.05).

"Overnight Funding Rate" means, for any day, the rate comprised of both overnight federal funds and overnight eurodollar transactions by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the NYFRB as set forth on the NYFRB's Website from time to time, and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate.

"Participant" has the meaning assigned to such term in Section 12.04(c).

"Participant Register" has the meaning assigned to such term in Section 12.04(c).

"Patriot Act" has the meaning assigned to such term in Section 12.16.

"Payment" has the meaning assigned to such term in Section 11.08(b).

"Payment in Full" means (a) the Commitments have expired or been terminated, (b) the principal of and interest on each Loan and all fees payable hereunder and all other amounts payable under the Loan Documents shall have been indefeasibly paid in full (other than contingent indemnification obligations), (c) all Letters of Credit shall have expired or terminated (or are Cash Collateralized or otherwise secured to the satisfaction of the Issuing Bank) and all LC Disbursements shall have been reimbursed and (d) all amounts due under Secured Swap Agreements shall have been indefeasibly paid in full in cash (or such Secured Swap Agreements are Cash Collateralized or otherwise secured to the satisfaction of the Secured Swap Provider) (it is understood that the Administrative Agent shall be (i) permitted to rely on a certificate of a Responsible Officer of the Borrower to establish the foregoing in clause (d) and (ii) entitled to deem that the foregoing clause (d) has occurred with respect to any Secured Swap Provider if it does not respond to a written request from the Administrative Agent or the Borrower to confirm that the foregoing clause (d) has occurred within two (2) Business Days of such request).

"Payment Notice" has the meaning assigned to such term in Section 11.08(b).

"PBGC" means the Pension Benefit Guaranty Corporation, or any successor thereto.

"Pension Act" means the Pension Protection Act of 2006, as it presently exists or as it may be amended from time to time, or any successor thereto.

"Perfection Certificate" means a perfection certificate substantially in the form of Exhibit J.

"Permitted Basis Differential Swaps" means, as of any date of determination, basis differential swaps in respect of notional volumes that do not exceed, as of the date any such Swap Agreement is entered into, (a) ninety percent (90%) of the reasonably anticipated projected production (as such production is projected in the most recent Reserve Report delivered pursuant to the terms of this Agreement) from the Borrower's and its Restricted Subsidiaries' Oil and Gas Properties for each month during the period which such Swap Agreement is in effect for each of crude oil, natural gas and natural gas liquids, calculated separately, for the period of thirty-six (36) months following the date such Swap Agreement is entered into and (b) ninety percent (90%) of the reasonably anticipated projected production (as such production is projected in the most recent Reserve Report delivered pursuant to the terms of this Agreement) from the Borrower's and its Restricted Subsidiaries' proved, developed, producing Oil and Gas Properties for each month during the period which such Swap Agreement is in effect for each of crude oil, natural gas and natural gas liquids, calculated separately for the period of thirty-seven (37) to sixty (60) months following the date such Swap Agreement is entered into; provided that the Borrower may update the projections in clauses (a) and (b) above by providing the Administrative Agent an internal report prepared by or under the supervision of the chief engineer of the Borrower and its other Group Members and any additional information reasonably requested by the Administrative Agent that is, in each case, reasonably satisfactory to the Administrative Agent (and shall include new reasonably anticipated Hydrocarbon production from new wells or other production improvements and any dispositions, well shut-ins and other reductions of, or decreases to, production).

"Permitted Holder" means any Person that, on the Closing Date, is the beneficial owner, together with any of its Affiliates (but excluding any operating portfolio companies of the foregoing Persons), of Equity Interests representing 35% or more of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of the Borrower at such time.

"Permitted Refinancing Indebtedness" means Indebtedness (for purposes of this definition, "New Debt") incurred in exchange for, or proceeds of which are used to refinance, all of any other Indebtedness (the "Refinanced Indebtedness"); provided that:

(a) such New Debt is in an aggregate principal amount not in excess of the sum of (i) the aggregate principal amount then outstanding of the Refinanced Indebtedness (or, if the Refinanced Indebtedness is exchanged or acquired for an amount less than the principal amount thereof to be due and payable upon a declaration of acceleration thereof, such lesser amount) and (ii) an amount necessary to pay any fees and expenses, including premiums, related to such exchange or refinancing,

(b) such New Debt has a stated maturity no earlier than the stated maturity of the Refinanced Indebtedness and an average life no shorter than the average life of the Refinanced Indebtedness and does not restrict the prepayment or repayment of the Secured Obligations,

(c) such New Debt contains covenants, events of default, guarantees and other terms which (other than "market" interest rate, fees, funding discounts and redemption or prepayment premiums as determined at the time of issuance or incurrence of any such Indebtedness), (i) are "market" terms as determined on the date of issuance or incurrence and (ii) in any event are not more restrictive on the Borrower and each Group Member than the terms of this Agreement (as in effect at the time of such issuance or incurrence),

(d) no Subsidiary of the Borrower (other than a Guarantor or a Person who becomes a Guarantor in connection therewith) is an obligor under such New Debt,

(e) to the extent such New Debt is secured, the holders of the obligations secured thereby (or a representative or trustee on their behalf) shall have entered into an intercreditor agreement in form and substance reasonably satisfactory to the Administrative Agent (it being understood that any such intercreditor agreement that is reasonably satisfactory to the Majority Lenders shall be reasonably satisfactory to the Administrative Agent) (which, for avoidance of doubt, shall provide that the Liens securing such obligations shall rank junior to the Liens securing the Secured Obligations and shall only be secured by the same or a subset of the collateral that secures the Secured Obligations), and

(f) such New Debt (and any guarantees thereof) is subordinated in right of payment to the Secured Obligations (or, if applicable, the Guarantee and Collateral Agreement) to at least the same extent as the Refinanced Indebtedness and subordinated on terms satisfactory to the Administrative Agent.

"Permitted Sale of Hydrocarbons" has the meaning assigned to such term in Section 9.11(a).

"Permitted Second Lien Debt" means junior lien secured Indebtedness issued or incurred by the Borrower and any guarantees thereof by the Guarantors (including any Persons becoming Guarantors simultaneously with the incurrence of such Indebtedness):

(a) the terms of which do not provide for any scheduled repayment, mandatory redemption or sinking fund obligation prior to the 91st day after the Maturity Date (other than customary offers to purchase upon a change of control, and customary acceleration rights after an event of default and the mandatory prepayment provisions under the Specified Permitted Second Lien Debt as in effect pursuant to documentation executed on November 12, 2021) and do not restrict the prepayment or repayment of the Secured Obligations,

(b) the covenants, events of default, guarantees and other terms which (other than "market" interest rate, fees, funding discounts and redemption or prepayment premiums as determined at the time of issuance or incurrence of any such Indebtedness), (i) are "market" terms as determined on the date of issuance or incurrence and (ii) in any event are not more restrictive on the Borrower and each Group Member than the terms of this Agreement (as in effect at the time of such issuance or incurrence); for the avoidance of doubt, the covenants, events of default, guarantees and other terms under the Specified Permitted Second Lien Debt as in effect pursuant to documentation executed on November 12, 2021 complies with this clause (b).

(c) if such Indebtedness is subordinated Indebtedness in right of payment, the terms of such Indebtedness provide for customary subordination of such Indebtedness to the Secured Obligations,

(d) the holders of the obligations secured thereby (or a representative or trustee on their behalf) shall have entered into an intercreditor agreement in form and substance reasonably satisfactory to the Administrative Agent (it being understood that any such intercreditor agreement that is reasonably satisfactory to the Majority Lenders shall be reasonably satisfactory to the Administrative Agent) (which, for avoidance of doubt, shall provide that the Liens securing such obligations shall rank junior to the Liens securing the Secured Obligations and shall only be secured by the same or a subset of the collateral that secures the Secured Obligations), and

(e) no Subsidiary of the Borrower (other than a Guarantor or a Person who becomes a Guarantor in connection therewith) is an obligor under such Indebtedness.

"Permitted Second Lien Debt Documents" means any document or instrument (including any guarantee, security agreement or mortgage) issued or executed and delivered with respect to any Permitted Second Lien Debt by any Loan Party.

"Permitted Second Lien Debt Obligations" means all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Permitted Second Lien Debt Document, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any bankruptcy or insolvency law naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. Without limiting the generality of the foregoing, the Permitted Second Lien Debt Obligations of the applicable Loan Parties under the Permitted Second Lien Debt Documents (and any of their Restricted Subsidiaries to the extent they have obligations under the Permitted Second Lien Debt Documents) include the obligation (including guarantee obligations) to pay principal, interest, charges, expenses, fees, attorney costs, indemnities and other amounts payable by any such Loan Party under any Permitted Second Lien Debt Document.

"Permitted Unsecured Debt" means unsecured senior, senior subordinated or subordinated Indebtedness issued or incurred by the Borrower and any guarantees thereof by the Guarantors (including any Persons becoming Guarantors simultaneously with the incurrence of such Indebtedness):

(a) that does not restrict the prepayment or repayment of the Secured Obligations,

(b) that has terms which do not provide for the maturity of such Indebtedness to be or any scheduled repayment, mandatory redemption or sinking fund obligation to occur prior to ninety-one (91) days (or one (1) year, if provided by any holder of the Borrower's Equity Interests) after the Maturity Date (other than customary offers to purchase upon a change of control and customary acceleration rights after an event of default),

(c) where the covenants, events of default, guarantees and other terms which (other than "market" interest rate, fees, funding discounts and redemption or prepayment premiums as determined at the time of issuance or incurrence of any such Indebtedness), (i) are "market" terms as determined on the date of issuance or incurrence and (ii) in any event are not more restrictive on the Borrower and each Group Member than the terms of this Agreement (as in effect at the time of such issuance or incurrence),

(d) where, if such Indebtedness is subordinated Indebtedness in right of payment, the terms of such Indebtedness provide for customary subordination of such Indebtedness to the Secured Obligations, and

(e) where no Subsidiary of the Borrower (other than a Guarantor or a Person who becomes a Guarantor in connection therewith) is an obligor under such Indebtedness.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

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

"Plan" means any "employee pension benefit plan", as defined in Section 3(2) of ERISA, other than a Multiemployer Plan, that is subject to Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA and which (a) is currently or hereafter sponsored, maintained or contributed to by a Group Member or an ERISA Affiliate or (b) was at any time during the six calendar years immediately preceding the date hereof, sponsored, maintained or contributed to by a Group Member or an ERISA Affiliate or to which a Group Member or an ERISA Affiliate has any liability.

"Plan Asset Regulations" means 29 CFR § 2510.3-101 *et seq.*, as modified by Section 3(42) of ERISA, as amended from time to time.

"Prime Rate" means the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest *per annum* interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

"Prohibited Transaction" has the meaning assigned to such term in Section 406 of ERISA and Section 4975(c) of the Code.

"Property" means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, including cash, securities, accounts and contract rights.

"Proposed Borrowing Base" has the meaning assigned to such term in Section 2.07(c)(i).

"Proposed Borrowing Base Notice" has the meaning assigned to such term in Section 2.07(c)(ii).

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

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

"Public-Sider" means a Lender whose representatives may trade in securities of the Borrower or any of their respective Subsidiaries while in possession of the financial statements provided by the Borrower under the terms of this Agreement.

"PV-9" means, as of any date of determination, with respect to the Proved Reserves of any Oil and Gas Properties, the net present value, discounted at nine percent (9%) *per annum*, of the future net revenues expected to accrue to the Loan Parties' collective interest in such Proved Reserves during the remaining expected economic lives of such Proved Reserves calculated in accordance with the most recent bank price deck provided to the Borrower by the Administrative Agent.

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

"QFC Credit Support" has the meaning assigned to such term in Section 12.21.

"Redemption" means with respect to any Indebtedness, the repurchase, redemption, prepayment, repayment, defeasance or any other acquisition or retirement for value (or the segregation of funds with respect to any of the foregoing) of such Indebtedness. "Redeem" has the correlative meaning thereto.

"Redetermination Date" means, with respect to any Scheduled Redetermination or any Interim Redetermination, the date that the redetermined Borrowing Base related thereto becomes effective pursuant to Section 2.07(d).

"Reference Period" has the meaning assigned to such term in the definition of "EBITDA".

"Reference Time" with respect to any setting of the then-current Benchmark means (a) if such Benchmark is the Term SOFR Rate, 5:00 a.m. (Chicago time) on the day that is two Business Days preceding the date of such setting, (b) if such Benchmark is Daily Simple SOFR, then four Business Days prior to such setting and (c) if such Benchmark is not the Term SOFR Rate or Daily Simple SOFR, the time determined by the Administrative Agent in its reasonable discretion.

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

"Register" has the meaning assigned to such term in Section 12.04(b)(iv).

"Regulation D" means Regulation D of the Board, as the same may be amended, supplemented or replaced from time to time.

"Related Parties" means, with respect to any specified Person, such Person's Affiliates and the respective directors, officers, employees, agents and advisors (including attorneys, accountants and experts) of such Person and such Person's Affiliates.

"Release" means any depositing, spilling, leaking, pumping, pouring, placing, emitting, discarding, abandoning, emptying, discharging, migrating, injecting, escaping, leaching, dumping, or disposing.

"Relevant Governmental Body" means the Board or the NYFRB, the CME Term SOFR Administrator, as applicable, or a committee officially endorsed or convened by the Board or the NYFRB, or, in each case, any successor thereto.

"Relevant Rate" means (a) with respect to any Term Benchmark Borrowing, the Adjusted Term SOFR Rate or (b) with respect to any RFR Borrowing, Adjusted Daily Simple SOFR, as applicable.

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA or the regulations issued thereunder, with respect to a Plan, other than those events as to which the 30-day notice has been waived in regulations issued by the PBGC.

"Required Lenders" means (a) at any time while no Loans or LC Exposure are outstanding, Lenders having at least sixty-six and two thirds percent (66-2/3%) of the Aggregate Maximum Credit Amounts and (b) at any time while any Loans or LC Exposure are outstanding, Lenders holding at least sixty-six and two thirds percent (66-2/3%) of the outstanding aggregate principal amount of the Loans or participation interests in Letters of Credit (without regard to any sale by a Lender of a participation in any Loan under Section 12.04(c)).

"Reserve Report" means the Initial Reserve Report and any other subsequent report, in form and substance reasonably satisfactory to the Administrative Agent, setting forth, as of the dates set forth in Section 8.11(a) (or such other date in the event of an Interim Redetermination) the oil and gas reserves attributable to the Oil and Gas Properties of the Borrower and the Guarantors, together with a projection of the rate of production and future net income, taxes, operating expenses and capital expenditures with respect thereto as of such date, based upon the economic and pricing assumptions consistent with the Administrative Agent's lending requirements at the time.

"Reserve Report Certificate" has the meaning assigned to such term in Section 8.11(c).

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

"Responsible Officer" means, as to any Person, the chief executive officer, the president, any Financial Officer or general counsel of such Person. Unless otherwise specified, all references to a Responsible Officer herein shall mean a Responsible Officer of the Borrower.

"Restricted Payment" means any dividend or other distribution or return of capital (whether in cash, securities or other Property) with respect to any Equity Interests in any Person, or any payment (whether in cash, securities or other Property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of (a) any such Equity Interests or (b) any option, warrant or other right to acquire any such Equity Interests.

"Restricted Subsidiary" means any Subsidiary of the Borrower that is not an Unrestricted Subsidiary.

"Revolving Credit Exposure" means, with respect to any Lender at any time, the sum of the outstanding principal amount of such Lender's Loans and its LC Exposure at such time.

"RFR" when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to Adjusted Daily Simple SOFR.

"S&P" means Standard & Poor's Ratings Group, a division of The McGraw-Hill Companies, Inc., and any successor thereto that is a nationally recognized rating agency.

"Sanctioned Country" means, at any time, a country, region or territory which is itself the subject or target of any Sanctions (as of the Closing Date, Belarus, Burundi, Central African Republic, Crimea, Cuba, Iran, Libya, North Korea, Somalia, Sudan and Syria).

"Sanctioned Person" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC or the U.S. Department of State, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b).

"Sanctions" means all economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by OFAC or the U.S. Department of State.

"Scheduled Redetermination" has the meaning assigned to such term in Section 2.07(b).

"Scheduled Redetermination Date" means the date on which a Borrowing Base that has been redetermined pursuant to a Scheduled Redetermination becomes effective as provided in Section 2.07(d).

"SEC" means the Securities and Exchange Commission or any successor Governmental Authority.

"Second Lien Administrative Agent" means U.S. Bank National Association, as agent and collateral agent for the holders under the Specified Permitted Second Lien Debt and any successor agent appointed pursuant to the terms of the Permitted Second Lien Debt Documents.

"Secured Cash Management Bank" means any Lender or any Affiliate of a Lender that is a counterparty to a Cash Management Agreement with the Borrower or any other Group Member.

"Secured Cash Management Obligations" means all obligations of the Borrower or any Subsidiary arising from time to time under any Cash Management Agreement with a Secured Cash Management Bank; provided that if such Secured Cash Management Bank ceases to be a Lender or an Affiliate of a Lender hereunder, such obligations owed to such Secured Cash Management Bank shall no longer be Secured Cash Management Obligations.

"Secured Obligations" means any and all amounts owing or to be owing by any Loan Party (a) to the Administrative Agent, any Issuing Bank, any Lender or any other Person under any Loan Document or (b) to any Secured Swap Provider under a Secured Swap Agreement or Secured Cash Management Bank under Secured Cash Management Obligations and for clauses (a) and (b) all renewals, extensions and/or rearrangements of any of the foregoing, in each case, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising (including interest accruing after the maturity of the Loans and LC Disbursements and interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Borrower, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding); provided that solely with respect to any Group Member that is not an "eligible contract participant" under the Commodity Exchange Act, Excluded Swap Obligations of such Group Member shall in any event be excluded from "Secured Obligations" owing by such Group Member.

"Secured Parties" means, collectively, the Administrative Agent, each Issuing Bank, the Lenders, each Secured Cash Management Bank, each Secured Swap Provider, and any other Person owed Secured Obligations. "Secured Party" means any of the foregoing individually.

"Secured Swap Agreement" means a Swap Agreement between (a) any Loan Party and (b) a Secured Swap Provider.

"Secured Swap Provider" means, with respect to any Swap Agreement, (a) a Lender or an Affiliate of a Lender who is the counterparty to any such Swap Agreement with a Loan Party and (b) any Person who was a Lender or an Affiliate of a Lender at the time when such Person entered into any such Swap Agreement who is a counterparty to any such Swap Agreement with a Loan Party; provided that any such Secured Swap Provider that ceases to be a Lender or an Affiliate of a Lender shall continue to be a "Secured Swap Provider" for purposes of this Agreement to the extent that such Secured Swap Provider entered into a Secured Swap Agreement with the Borrower or any of its Subsidiaries prior to the date hereof or at the time such Secured Swap Provider was a Lender (or Affiliate of a Lender) hereunder and such Secured Swap Agreement remains in effect and there are remaining obligations under such Secured Swap Agreement (but excluding any transactions, confirms, or trades entered into after such Person ceases to be a Lender or an Affiliate of a Lender).

"Securities Account" has the meaning assigned to such term in the UCC.

"Security Instruments" means (a) the Guarantee and Collateral Agreement, (b) the Mortgages, (c) any Perfection Certificate, (d) any Control Agreement, (e) any intercreditor agreement, (f) the other agreements, instruments or certificates described or referred to in Exhibit F-1 and (g) any and all other agreements, instruments, consents or certificates now or hereafter executed and delivered by the Borrower, the other Loan Parties or any other Person, in each case in connection with, or as security for the payment or performance of the Secured Obligations, as such agreements may be amended, modified, supplemented or restated from time to time.

"Seventh Amendment Effective Date" means April 16, 2021.

"Solvency Certificate" means a solvency certificate signed by a Financial Officer in substantially the form of Exhibit E hereto.

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

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

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

"SOFR Determination Date" has the meaning set forth in the definition of "Daily Simple SOFR".

"SOFR Rate Day" has the meaning set forth in the definition of "Daily Simple SOFR".

"Specified Acquisition" has the meaning assigned to such term in the Eighth Amendment.

"Specified Acquisition Engineering Reports" has the meaning assigned to such term in the Eighth Amendment.

Specified Change of Control" means a "Change of Control" (or any other defined term having a similar purpose or meaning) as defined in any Permitted Unsecured Debt or Permitted Second Lien Debt.

"Specified Indebtedness" has the meaning assigned to such term in Section 9.04(b).

"Specified Permitted Second Lien Debt" means the Indebtedness issued under that certain Note Purchase Agreement, dated as of December 15, 2017, among the borrower, the Second Lien Administrative Agent, and the holders from time to time party thereto.

"Specified Permitted Second Lien Notes" means the Senior Secured Second Lien Notes due 2024, issued by the Borrower pursuant to the certain Note Purchase Agreement, dated as of December 15, 2017, among the borrower, the Second Lien Administrative Agent, and the holders from time to time party thereto.

"Specified Purchase Agreement" has the meaning assigned to such term in the Eighth Amendment.

"Subsidiary" means, as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise qualified, all references to a "Subsidiary" or to "Subsidiaries" in this Agreement shall refer to a direct or indirect Subsidiary or Subsidiaries of the Borrower.

"Supported QFC" has the meaning assigned to such term in Section 12.21.

"Swap Agreement" means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement, whether exchange traded, "over-the-counter" or otherwise, involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of any Group Member shall be a Swap Agreement.

"Swap Obligation" means, with respect to any person, any obligation to pay or perform under any Swap.

"Swap Termination Value" means, in respect of any one or more Swap Agreements, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Agreements, (a) for any date on or after the date such Swap Agreements have been closed out and termination value(s) determined in accordance therewith, such termination value(s) and any unpaid amounts and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Agreements, as determined by the counterparties to such Swap Agreements.

"Syndication Agent" means, collectively, the Syndication Agents identified on the cover page of this Agreement.

"Taxes" means any and all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), value added taxes, or any other goods and services, use or sales taxes, assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term Benchmark" when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted Term SOFR Rate.

"Term SOFR Determination Day" has the meaning assigned to it under the definition of Term SOFR Reference Rate.

"Term SOFR Rate" means, with respect to any Term Benchmark Borrowing and for any tenor comparable to the applicable Interest Period, the Term SOFR Reference Rate at approximately 5:00 a.m., Chicago time, two U.S. Government Securities Business Days prior to the commencement of such tenor comparable to the applicable Interest Period, as such rate is published by the CME Term SOFR Administrator.

"Term SOFR Reference Rate" means, for any day and time (such day, the "Term SOFR Determination Day"), with respect to any Term Benchmark Borrowing and for any tenor comparable to the applicable Interest Period, the rate *per annum* determined by the Administrative Agent as the forward-looking term rate based on SOFR. If by 5:00 p.m. (New York City time) on such Term SOFR Determination Day, the "Term SOFR Reference Rate" for the applicable tenor has not been published by the CME Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Rate has not occurred, then the Term SOFR Reference Rate for such Term SOFR Determination Day will be the Term SOFR Reference Rate as published in respect of the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate was published by the CME Term SOFR Administrator, so long as such first preceding Business Day is not more than five Business Days prior to such Term SOFR Determination Day.

"Termination Date" means the earlier of the Maturity Date and the date of termination of the Commitments in accordance with the terms of this Agreement.

"Third Amendment" means that certain Third Amendment to First Amended and Restated Senior Secured Revolving Credit Agreement, dated as of April 20, 2018, among the Borrower, the Guarantors, the Administrative Agent and the Lenders.

"Third Amendment Effective Date" has the meaning assigned to such term in the Third Amendment.

"Total Assets" means, as of any date of determination with respect to any Person, the amount that would, in accordance with GAAP, be set forth opposite the caption "total assets" (or any like caption) on a balance sheet of such Person at such date.

"Total Debt" means, at any date, all Indebtedness (other than Indebtedness under clauses (f) with respect to guarantees of Indebtedness not constituting Total Debt, (i) and (l) of the definition thereof) of the Borrower and the Consolidated Restricted Subsidiaries on a consolidated basis, excluding the undrawn portion and/or contingent obligations arising under, or in respect of letters of credit, bank guarantees and surety or other bonds and similar instruments; provided that net Swap Obligations to the extent such obligations are due and payable and not paid on such date shall constitute Total Debt.

"Transactions" means, with respect to (a) the Borrower, the execution, delivery and performance by the Borrower of this Agreement, each other Loan Document to which it is a party, the borrowing of Loans, the use of the proceeds thereof and the issuance of Letters of Credit hereunder, the Borrower's grant of the security interests and provision of collateral under the Security Instruments and Borrower's grant of Liens on Mortgaged Properties (if applicable) and other Properties pursuant to the Security Instruments and (b) each Loan Party, the execution, delivery and performance by such Loan Party of each Loan Document to which it is a party, the guaranteeing of the Secured Obligations and the other obligations under the Guarantee and Collateral Agreement by such Loan Party and (c) each Loan Party, such Loan Party's grant of the security interests and provision of collateral under the Security Instruments, and the grant of Liens by such Loan Party on Mortgaged Properties (if applicable) and other Properties pursuant to the Security Instruments.

"Transferee" means any Assignee or Participant.

"Type" when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Alternate Base Rate, the Adjusted Term SOFR Rate or Adjusted Daily Simple SOFR.

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

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

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

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"Unrestricted Subsidiary" means any Subsidiary of the Borrower which the Borrower has designated in writing to the Administrative Agent to be an Unrestricted Subsidiary pursuant to Section 8.18 and satisfies the requirements to be an Unrestricted Subsidiary as set forth in Section 8.18.

"Unwind" means, with respect to any Swap Agreement, the early termination, unwind, cancelation or other Disposition of any such Swap Agreement. "Unwound" shall have a meaning correlative to the foregoing.

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"U.S. Person" means a "United States person" within the meaning of Section 7701(a)(30) of the Code.

"U.S. Special Resolution Regime" has the meaning assigned to such term in Section 12.21.

"U.S. Tax Compliance Certificate" has the meaning assigned such term in Section 5.03(g)(ii)(B)(3).

"Volumetric Production Payments" means production payment obligations recorded as deferred revenue in accordance with GAAP, together with all undertakings and obligations in connection therewith.

"Wholly-Owned Subsidiary" means any Subsidiary of which all of the outstanding Equity Interests (other than any directors' qualifying shares mandated by applicable law), on a fully-diluted basis, are owned by the Borrower, the Guarantors and/or one or more of the Wholly-Owned Subsidiaries.

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

Section 1.03 Types of Loans and Borrowings. For purposes of this Agreement, Loans and Borrowings, respectively, may be classified and referred to by Type (e.g., a "Term Benchmark Loan" or "RFR Loan" or a "Term Benchmark Borrowing" or "RFR Borrowing").

Section 1.04 Terms Generally; Rules of Construction. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented, restated or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth in the Loan Documents), (b) any reference herein to any law shall be construed as referring to such law as amended, modified, codified or reenacted, in whole or in part, and in effect from time to time, (c) any reference herein to any Person shall be construed to include such Person's successors and assigns (subject to the restrictions contained in the Loan Documents), (d) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (e) with respect to the determination of any time period, the word "from" means "from and including" and the word "to" and the word "through" means "to and including" and (f) any reference herein to Articles, Sections, Annexes, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Annexes, Exhibits and Schedules to, this Agreement. The use of the phrase "subject to" as used in connection with Excepted Liens or otherwise and the permitted existence of any Excepted Liens or any other Liens shall not be interpreted to expressly or impliedly subordinate any Liens granted in favor of the Administrative Agent and the other Secured Parties as there is no intention to subordinate the Liens granted in favor of the Administrative Agent and the other Secured Parties. No provision of this Agreement or any other Loan Document shall be interpreted or construed against any Person solely because such Person or its legal representative drafted such provision.

Section 1.05 Accounting Terms and Determinations; GAAP.

(a) Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all determinations with respect to accounting matters hereunder shall be made, and all financial statements and certificates and reports as to financial matters required to be furnished to the Administrative Agent or the Lenders hereunder shall be prepared, in accordance with GAAP, applied on a basis consistent with the financial statements delivered pursuant to Section 7.04(a), except for Accounting Changes (as defined below) with which the Borrower's independent certified public accountants concur and which are disclosed to the Administrative Agent on the next date on which financial statements are required to be delivered to the Lenders pursuant to Section 8.01(a). In the event that any "Accounting Change" shall occur and such change results in a change in the method of calculation of financial covenants, standards or terms in this Agreement, then the Borrower and the Administrative Agent agree to enter into negotiations in order to amend such provisions of this Agreement so as to reflect equitably such Accounting Changes with the desired result that the criteria for evaluating the Borrower's financial condition shall be the same after such Accounting Changes as if such Accounting Changes had not been made. Until such time as such an amendment shall have been executed and delivered by the Borrower, the Administrative Agent and the Majority Lenders, all financial covenants, standards and terms in this Agreement shall continue to be calculated or construed as if such Accounting Changes had not occurred. "Accounting Changes" refers to changes in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Financial Accounting Standards Board of the American Institute of Certified Public Accountants or, if applicable, the SEC.

(b) Notwithstanding anything to the contrary contained in Section 1.05(a) or in the definition of "Finance Lease Obligations," any change in accounting for leases pursuant to GAAP resulting from the adoption of Financial Accounting Standards Board Accounting Standards Update No. 2016-02, Leases (Topic 842), to the extent such adoption would require treating any lease (or similar arrangement conveying the right to use) as a finance lease where such lease (or similar arrangement) would not have been required to be so treated under GAAP as in effect on December 31, 2018, such lease shall not be considered a finance lease, and all calculations and deliverables under this Agreement or any other Loan Document shall be made or delivered, as applicable, in accordance therewith.

Section 1.06 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

Section 1.07 Timing of Payment or Performance. When the payment of any obligation or the performance of any covenant, duty or obligation is stated to be due or performance required on a day which is not a Business Day, the date of such payment (other than as described in the definition of Interest Period) or performance shall extend to the immediately succeeding Business Day.

Section 1.08 Interest Rates; Benchmark Notification. The interest rate on a Loan may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event, Section 3.03(c) provides a mechanism for determining an alternative rate of interest. The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission, performance or any other matter related to any interest rate used in this Agreement or with respect to any alternative or successor rate thereto, or replacement rate thereof, including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the existing interest rate being replaced or have the same volume or liquidity as did any existing interest rate prior to its discontinuance or unavailability. The Administrative Agent and its affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate used in this Agreement or any alternative, successor or alternative rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referenced in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

Section 1.09 Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized and acquired on the first date of its existence by the holders of its Equity Interests at such time.

ARTICLE II
THE CREDITS

Section 2.01 Commitments. Subject to the terms and conditions set forth herein, each Lender agrees to make Loans to the Borrower from time to time on any Business Day during the Availability Period in an aggregate principal amount that will not result in (a) such Lender's Revolving Credit Exposure exceeding such Lender's Commitment or (b) the total Revolving Credit Exposures exceeding the total Commitments. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrower may borrow, repay and reborrow the Loans.

Section 2.02 Loans and Borrowings.

(a) Borrowings; Several Obligations. Each Loan shall be made as part of a Borrowing consisting of Loans made by the Lenders ratably in accordance with their respective Commitments. The failure of any Lender to make any Loan required to be made by it shall not relieve any other Lender of its obligations hereunder; provided that the Commitments are several and no Lender shall be responsible for any other Lender's failure to make Loans as required.

(b) Types of Loans. Subject to the terms of this Agreement, each Borrowing shall be comprised entirely of ABR Loans, Term Benchmark Loans or RFR Loans as the Borrower may request in accordance herewith. Each Lender at its option may make any Loan by causing any domestic or foreign branch or Affiliate of such Lender to make and any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement.

(c) Minimum Amounts; Limitation on Number of Borrowings. At the commencement of each Interest Period for any Term Benchmark Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of $100,000 and not less than $100,000. At the time that each ABR Borrowing and/or RFR Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of $100,000 and not less than $1,000,000; provided that an ABR Borrowing may be in an aggregate amount that is equal to the entire unused balance of the total Commitments or that is required to finance the reimbursement of an LC Disbursement as contemplated by Section 2.09(e). Borrowings of more than one Type may be outstanding at the same time, provided that there shall not at any time be more than a total of fifteen (15) Term Benchmark Borrowings or RFR Borrowings outstanding. Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Maturity Date.

(d) Notes. If a Lender shall make a written request to the Administrative Agent and the Borrower to have its Loans evidenced by a Note, then, for each such Lender, the Borrower shall execute and deliver a single Note of the Borrower dated, in the case of (i) any Lender party hereto as of the date of this Agreement, as of the date of this Agreement or (ii) any Lender that becomes a party hereto pursuant to an Assignment and Assumption, as of the effective date of the Assignment and Assumption, payable to such Lender (and, for avoidance of doubt, its registered assigns) in a principal amount equal to its Maximum Credit Amount as in effect on such date, and otherwise duly completed. Upon request from a Lender, in the event that any such Lender's Maximum Credit Amount increases or decreases for any reason (whether pursuant to Section 2.06, Section 12.04(b) or otherwise), the Borrower shall deliver or cause to be delivered on the effective date of such increase or decrease, a new Note payable to such Lender (and, for avoidance of doubt, its registered assigns) in a principal amount equal to its Maximum Credit Amount after giving effect to such increase or decrease, and otherwise duly completed. The date, amount, Type, interest rate and, if applicable, Interest Period of each Loan made by each Lender, and all payments made on account of the principal thereof, may be recorded by such Lender on its books for its Note, and, prior to any transfer, may be endorsed by such Lender on a schedule attached to such Note or any continuation thereof or on any separate record maintained by such Lender; provided that the failure to make any such notation or to attach a schedule shall not affect any Lender's or the Borrower's rights or obligations in respect of such Loans or affect the validity of such transfer by any Lender of its Note.

Section 2.03 Requests for Borrowings. To request a Borrowing, the Borrower shall notify the Administrative Agent of such request by telephone (a) in the case of a Term Benchmark Borrowing, not later than 11:00 a.m., New York City time, three Business Days before the date of the proposed Borrowing, (b) in the case of an RFR Borrowing, not later than 11:00 a.m., New York City time, four Business Days before the date of the proposed Borrowing or (c) in the case of an ABR Borrowing, one Business Day before the date of the proposed Borrowing (provided that any such notice of an ABR Borrowing to finance payments required by Section 2.09(e) may be given not later than 10:00 a.m., New York City time, on the date of the proposed borrowing); provided that no such notice shall be required for any deemed request of an ABR Borrowing to finance the reimbursement of an LC Disbursement as provided in Section 2.09(e). Each such telephonic Borrowing Request shall be irrevocable and shall be confirmed promptly by hand delivery or telecopy to the Administrative Agent of a written Borrowing Request in substantially the form of Exhibit B and signed by the Borrower. Each such telephonic and written Borrowing Request shall specify the following information in compliance with Section 2.02:

(i) the aggregate amount of the requested Borrowing;

(ii) the date of such Borrowing, which shall be a Business Day;

(iii) whether such Borrowing is to be an ABR Borrowing, a Term Benchmark Borrowing or an RFR Borrowing;

(iv) in the case of a Term Benchmark Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period"; and

(v) the location and number of the Borrower's account to which funds are to be disbursed, which shall comply with the requirements of Section 2.05.

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested Term Benchmark Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. Each Borrowing Request shall constitute a representation that the amount of the requested Borrowing shall not cause the total Revolving Credit Exposures to exceed the total Commitments (i.e., the lesser of the Aggregate Maximum Credit Amounts and the then effective Borrowing Base) on the date of such Borrowing.

Promptly following receipt of a Borrowing Request in accordance with this Section 2.03, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.

Section 2.04 Interest Elections.

(a) Conversion and Continuance. Each Borrowing initially shall be of the Type specified in the applicable Borrowing Request unless otherwise precluded by the terms hereof and, if a Term Benchmark Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a Term Benchmark Borrowing, may elect Interest Periods therefor, all as provided in this Section 2.04. The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing.

(b) Interest Election Requests. To make an election pursuant to this Section 2.04, the Borrower shall notify the Administrative Agent of such election by telephone by the time that a Borrowing Request would be required under Section 2.03 if the Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election. Each such telephonic Interest Election Request shall be irrevocable and shall be confirmed promptly by hand delivery, telecopy or other electronic communication to the Administrative Agent of a written Interest Election Request signed by the Borrower.

(c) Information in Interest Election Requests. Each telephonic and written Interest Election Request shall specify the following information in compliance with Section 2.02:

(i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to Section 2.04(c)(iii) and Section 2.04(c)(iv) shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to be an ABR Borrowing, a Term Benchmark Borrowing or an RFR Borrowing; and

(iv) if the resulting Borrowing is a Term Benchmark Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period".

If any such Interest Election Request requests a Term Benchmark Borrowing but does not specify an Interest Period, then the Borrower shall be deemed to have selected an Interest Period of one month's duration.

(d) Notice to Lenders by the Administrative Agent. Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

(e) Effect of Failure to Deliver Timely Interest Election Request and Events of Default and Borrowing Base Deficiencies on Interest Election. If the Borrower fails to deliver a timely Interest Election Request with respect to a Term Benchmark Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be converted to an Term Benchmark Borrowing with a one month Interest Period. Notwithstanding any contrary provision hereof, if (i) a Borrowing Base Deficiency has occurred and is continuing, no outstanding Borrowing may be converted to or continued as a Term Benchmark Borrowing with an Interest Period longer than one month (and any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Term Benchmark Borrowing shall be deemed to request an Interest Period of one month) and (ii) an Event of Default has occurred and is continuing, no outstanding Borrowing may be converted to or continued as a Term Benchmark Borrowing (and any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Term Benchmark Borrowing shall be ineffective) and, unless repaid, each Term Benchmark Borrowing and each RFR Borrowing shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto.

Section 2.05 Funding of Borrowings.

(a) Funding by Lenders. Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds by 12:00 noon, New York City time, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders. The Administrative Agent will make such Loans available to the Borrower by promptly crediting the amounts so received, in like funds, to an account of the Borrower maintained with the Administrative Agent and designated by the Borrower in the applicable Borrowing Request; provided that ABR Loans made to finance the reimbursement of an LC Disbursement as provided in Section 2.09(e) shall be remitted by the Administrative Agent to the applicable Issuing Bank. Nothing herein shall be deemed to obligate any Lender to obtain the funds for its Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for its Loan in any particular place or manner.

(b) Presumption of Funding by the Lenders. Unless the Administrative Agent shall have received notice from a Lender prior to 10:00 a.m. New York City time on the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.05(a) and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of the Borrower, the interest rate applicable to ABR Loans. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing.

Section 2.06 Termination and Reduction of Aggregate Maximum Credit Amounts.

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

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

(i) The Borrower may at any time terminate, or from time to time reduce, the Aggregate Maximum Credit Amounts; provided that (A) each reduction of the Aggregate Maximum Credit Amounts shall be in an amount that is an integral multiple of $1,000,000 and not less than $5,000,000 and (B) the Borrower shall not terminate or reduce the Aggregate Maximum Credit Amounts if, after giving effect to any concurrent prepayment of the Loans in accordance with Section 3.04(b), the total Revolving Credit Exposures would exceed the total Commitments.

(ii) The Borrower shall notify the Administrative Agent of any election to terminate or reduce the Aggregate Maximum Credit Amounts under Section 2.06(b)(i) at least three Business Days prior to the effective date of such termination or reduction (or such shorter time as the Administrative Agent may agree) in writing, specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by the Borrower pursuant to this Section 2.06(b)(ii) shall be irrevocable; provided that a notice of termination of the Aggregate Maximum Credit Amounts delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit or debt facilities or the consummation of a Material Acquisition or Material Disposition or an issuance of Equity Interests, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of the Aggregate Maximum Credit Amounts shall be permanent and may not be reinstated. Each reduction of the Aggregate Maximum Credit Amounts shall be made ratably among the Lenders in accordance with each Lender's Applicable Percentage.

Section 2.07 Borrowing Base.

(a) Initial Borrowing Base. For the period from and including the Closing Date to but excluding the first Redetermination Date, the amount of the Borrowing Base shall be $330,000,000. Notwithstanding the foregoing, the Borrowing Base may be subject to further adjustments from time to time pursuant to the Borrowing Base Adjustment Provisions.

(b) Scheduled and Interim Redeterminations. The Borrowing Base shall be redetermined on November 1, 2017 and semi-annually thereafter in accordance with this Section 2.07 (each such redetermination, a "Scheduled Redetermination"), and, subject to Section 2.07(d), such redetermined Borrowing Base shall become effective and applicable to the Borrower, the Administrative Agent, the Issuing Bank(s) and the Lenders on May 1st and November 1st of each year (or as soon as possible thereafter as contemplated by Section 2.07(d)(i)). The Borrower may, by notifying the Administrative Agent thereof, one time (i) prior to the first Scheduled Redetermination and (ii) between each Scheduled Redetermination, elect to cause the Borrowing Base to be redetermined in accordance with this Section 2.07 and the Administrative Agent may, or at the direction of the Required Lenders shall, by notifying the Borrower thereof, one-time (A) prior to the first Scheduled Redetermination and (B) between any Scheduled Redeterminations elect to cause the Borrowing Base to be redetermined (each such redetermination, an "Interim Redetermination") in accordance with this Section 2.07.

(c) Scheduled and Interim Redetermination Procedure.

(i) Each Scheduled Redetermination and each Interim Redetermination shall be effectuated as follows: upon receipt by the Administrative Agent of (A) the Reserve Report for such redetermination and the related Reserve Report Certificate (unless waived by the Administrative Agent in the case of an Interim Redetermination) and (B) such other reports, data and supplemental information, including the information provided pursuant to Section 8.11(c), as may, from time to time, be reasonably requested by the Administrative Agent or a Lender (the Reserve Report, such Reserve Report Certificate and such other reports, data and supplemental information being the "Engineering Reports"), the Administrative Agent shall evaluate the information contained in the Engineering Reports and shall propose a new Borrowing Base (the "Proposed Borrowing Base") based upon such information and such other information (including the status of title information with respect to the Oil and Gas Properties as described in the Engineering Reports and the existence of any other Indebtedness) as the Administrative Agent deems appropriate in its sole discretion and consistent with its oil and gas lending criteria as it exists at the particular time. In no event shall the Proposed Borrowing Base exceed the Aggregate Maximum Credit Amounts.

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

(A) in the case of a Scheduled Redetermination (1) if the Administrative Agent shall have received the Engineering Reports required to be delivered by the Borrower pursuant to Section 8.11(a) and Section 8.11(c) in a timely and complete manner, then before or on April 15th or October 15th, as the case may be, of such year following the date of delivery or (2) if the Administrative Agent shall not have received the Engineering Reports required to be delivered by the Borrower pursuant to Section 8.11(a) and Section 8.11(c) in a timely and complete manner, then promptly after the Administrative Agent has received complete Engineering Reports from the Borrower and has had a reasonable opportunity to determine the Proposed Borrowing Base in accordance with Section 2.07(c)(i); and

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

(iii) Subject to Section 2.10(b) and Section 12.02(b)(ii) with respect to any Defaulting Lender, any Proposed Borrowing Base that would (A) increase the Borrowing Base then in effect must be approved by all Lenders as provided in this Section 2.07(c)(iii) and (B) decrease or maintain the Borrowing Base then in effect must be approved by the Required Lenders as provided in this Section 2.07(c)(iii). Upon receipt of the Proposed Borrowing Base Notice, each Lender shall have fifteen (15) days (or such shorter period as the Administrative Agent may permit) to agree with the Proposed Borrowing Base or disagree with the Proposed Borrowing Base by proposing an alternate Borrowing Base. If, at the end of such 15-day period (or such shorter period as the Administrative Agent may permit), all of the Lenders, in the case of a Proposed Borrowing Base that would increase the Borrowing Base then in effect, or the Required Lenders, in the case of a Proposed Borrowing Base that would decrease or maintain the Borrowing Base then in effect, have approved, as aforesaid, then the Proposed Borrowing Base shall become the new Borrowing Base, effective on the date specified in Section 2.07(d). If, however, at the end of such 15-day period (or such shorter period as the Administrative Agent may permit), all of the Lenders or the Required Lenders, as applicable, have not approved the Proposed Borrowing Base, as aforesaid, then the Administrative Agent shall poll the Lenders to ascertain the highest Borrowing Base then acceptable to a number of Lenders sufficient to constitute the Required Lenders and, so long as such amount does not increase the Borrowing Base then in effect, such amount shall become the new Borrowing Base, effective on the date specified in Section 2.07(d) (provided that, if the Administrative Agent shall have polled the Lenders and ascertained that the highest Borrowing Base then acceptable to all of the Lenders increases the Borrowing Base then in effect, such amount shall become the new Borrowing Base, effective on the date specified in Section 2.07(d)).

(d) Effectiveness of a Redetermined Borrowing Base. After a redetermined Borrowing Base is approved by all of the Lenders or the Required Lenders (subject to Section 2.10(b) and Section 12.02(b)(ii) with respect to any Defaulting Lender), as applicable, pursuant to Section 2.07(c)(iii), the Administrative Agent shall notify the Borrower and the Lenders of the amount of the redetermined Borrowing Base (such notice, the "New Borrowing Base Notice") and such amount shall become the new Borrowing Base effective and applicable to the Borrower, the Administrative Agent, the Issuing Bank(s) and the Lenders:

(i) in the case of a Scheduled Redetermination, (A) if the Administrative Agent shall have received the Engineering Reports required to be delivered by the Borrower pursuant to Section 8.11(a) and Section 8.11(c) in a timely and complete manner, then on May 1st or November 1st of each year, as applicable, following such notice or as soon as possible thereafter, pursuant to the procedures set forth in Section 2.07(c)(iii), or (B) if the Administrative Agent shall not have received the Engineering Reports required to be delivered by the Borrower pursuant to Section 8.11(a) and Section 8.11(c) in a timely and complete manner, then on the Business Day next succeeding delivery of such New Borrowing Base Notice; and

(ii) in the case of an Interim Redetermination, on the Business Day next succeeding delivery of such New Borrowing Base Notice.

Such amount shall then become the Borrowing Base until the next Scheduled Redetermination Date, the next Interim Redetermination Date or the next adjustment to the Borrowing Base pursuant to the Borrowing Base Adjustment Provisions, whichever occurs first. Notwithstanding the foregoing, no Scheduled Redetermination or Interim Redetermination shall become effective until the New Borrowing Base Notice related thereto is received by the Borrower.

Section 2.08 Borrowing Base Adjustment Provisions.

(a) Reduction of Borrowing Base Upon Asset Dispositions and Termination of Swap Positions. If the Borrower or one of the other Group Members Disposes of Oil and Gas Properties constituting Proved Reserves (but excluding any Disposition to a Loan Party or from a non-Loan Party to a non-Loan Party, in each case, subject to prior written notice) or any Equity Interests in any Person owning Oil and Gas Properties constituting Proved Reserves (but excluding any Disposition to a Loan Party or from a non-Loan Party to a non-Loan Party, in each case, subject to prior written notice), or Unwinds Swap Agreements and (i) the Borrowing Base Value attributable to such Disposed of Oil and Gas Property (or the Oil and Gas Properties owned by any Group Member whose Equity Interests were sold) plus (ii) the Borrowing Base Value attributable to such Unwound Swap Agreements, since the later of (x) the last Redetermination Date and (y) the last adjustment of the Borrowing Base pursuant to this Section 2.08(a) is in excess of five percent (5%) of the Borrowing Base as then in effect (as reasonably determined by the Administrative Agent), individually or in the aggregate, then the Borrowing Base will be automatically reduced by an amount equal to the value attributable to such Oil and Gas Properties (or such Oil and Gas Properties owned by any Subsidiary whose Equity Interests were sold) or such Unwound Swap Agreement in the current Borrowing Base; provided that the Administrative Agent shall promptly inform the Borrower of the amount of the adjusted Borrowing Base. For the purposes of this Section 2.08(a), a Disposition of Oil and Gas Properties shall be deemed to include the designation of a Restricted Subsidiary owning Oil and Gas Properties constituting Proved Reserves as an Unrestricted Subsidiary and the Disposition of Oil and Gas Properties, or Equity Interests in any Person owning Oil and Gas Properties constituting Proved Reserves, to an Unrestricted Subsidiary.

(b) Reduction of Borrowing Base Related to Title. Pursuant to Section 8.12(c), if the Administrative Agent or Required Lenders have adjusted the Borrowing Base, so that, after giving effect to such reduction, the Borrower will satisfy the requirements of Section 8.12(c), the Administrative Agent shall promptly notify the Borrower in writing and, upon receipt of such notice, the new Borrowing Base will simultaneously become effective.

(c) Reduction of Borrowing Base Upon Incurrence of Permitted Second Lien Debt and/or Permitted Unsecured Debt. Upon the issuance or incurrence of any Permitted Second Lien Debt, Permitted Unsecured Debt or Permitted Refinancing Indebtedness in an aggregate principal amount in excess of the Refinanced Indebtedness (other than Permitted Second Lien Debt or Permitted Unsecured Debt constituting Permitted Refinancing Indebtedness incurred to refinance such Indebtedness, but only to the extent that the aggregate principal amount of Permitted Refinancing Indebtedness does not exceed principal amount of the Refinanced Indebtedness), the Borrowing Base then in effect shall be automatically reduced by an amount equal to the product of 0.25 multiplied by the stated principal amount of such Permitted Unsecured Debt, Permitted Second Lien Debt or, with respect to such Permitted Refinancing Indebtedness, the extent the aggregate principal amount of such Indebtedness exceeds the Refinanced Indebtedness, as applicable, without regard to any original issue discount, and the Borrowing Base as so reduced shall become the new Borrowing Base on the Business Day of such issuance or incurrence.

Section 2.09 Letters of Credit.

(a) General. Subject to the terms and conditions set forth herein, the Borrower may request the issuance of dollar denominated Letters of Credit for its own account or for the account of any other Loan Party, in a form reasonably acceptable to the Administrative Agent and the applicable Issuing Bank, at any time and from time to time during the period from the Closing Date until the day which is five (5) Business Days prior to the end of the Availability Period; provided that, in addition to the conditions set forth in Section 6.02, the Borrower may not request the issuance, amendment, renewal or extension of Letters of Credit hereunder if (i) the LC Exposure would exceed the LC Commitment or (ii) the total Revolving Credit Exposures would exceed the aggregate Commitments of the Lenders (i.e., the lesser of the Aggregate Maximum Credit Amounts and the then effective Borrowing Base) (collectively, the "LC Availability Requirements"). In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Borrower to, or entered into by the Borrower with, the applicable Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control.

(b) Notice of Issuance, Amendment, Renewal, Extension; Certain Conditions. To request the issuance of a Letter of Credit (or the amendment, renewal or extension of an outstanding Letter of Credit), the Borrower shall hand deliver or telecopy (or transmit by electronic communication, if arrangements for doing so have been approved by the applicable Issuing Bank) to the Issuing Bank and the Administrative Agent (not less than three (3) Business Days in advance of the requested date of issuance, amendment, renewal or extension) a notice:

(i) requesting the issuance of a Letter of Credit or identifying the Letter of Credit to be amended, renewed or extended;

(ii) specifying the date of issuance, amendment, renewal or extension (which shall be a Business Day);

(iii) specifying the date on which such Letter of Credit is to expire (which shall comply with Section 2.09(c));

(iv) specifying the amount of such Letter of Credit; and

(v) specifying the name and address of the beneficiary thereof and such other information as shall be necessary to prepare, amend, renew or extend such Letter of Credit.

Each notice shall constitute a representation that, after giving effect to the requested issuance, amendment, renewal or extension, as applicable, the LC Availability Requirements will be satisfied on the date of such issuance, amendment, renewal or extension.

If requested by the applicable Issuing Bank, the Borrower also shall submit a letter of credit application on the Issuing Bank's standard form in connection with any request for a Letter of Credit.

(c) Expiration Date. Each Letter of Credit shall expire (or be subject to termination by notice from the Issuing Bank to the beneficiary thereof) at or prior to the close of business on the earlier of (i) the date one year after the date of the issuance of such Letter of Credit (or, in the case of any renewal or extension of a Letter of Credit, one year after such renewal or extension) and (ii) the date that is five Business Days prior to the Maturity Date.

(d) Participations. By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the applicable Issuing Bank or the Lenders, such Issuing Bank hereby grants to each Lender, and each Lender hereby acquires from such Issuing Bank, a participation in such Letter of Credit equal to such Lender's Applicable Percentage of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of such Issuing Bank, such Lender's Applicable Percentage of each LC Disbursement made by such Issuing Bank and not reimbursed by the Borrower on the date due as provided in Section 2.09(e), or of any reimbursement payment required to be refunded to the Borrower for any reason. Each Lender acknowledges and agrees that its obligation to acquire participations pursuant to this Section 2.09(d) in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default, the existence of a Borrowing Base Deficiency or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(e) Reimbursement. If an Issuing Bank shall make any LC Disbursement in respect of a Letter of Credit, the Borrower shall reimburse such LC Disbursement by paying to the Administrative Agent an amount equal to such LC Disbursement not later than 12:00 noon, New York City time, on the date that such LC Disbursement is made, if the Borrower shall have received notice of such LC Disbursement prior to 10:00 a.m., New York City time, on such date, or, if such notice has not been received by the Borrower prior to such time on such date, then not later than 12:00 noon, New York City time, on the Business Day immediately following the day that the Borrower receives such notice, if such notice is not received prior to such time on the day of receipt; provided that, unless the Borrower has notified the relevant Issuing Bank and Administrative Agent that it will, and does, reimburse such LC Disbursement by the required date and time, the Borrower shall, subject to the satisfaction of the conditions to Borrowing set forth in Section 6.02, be deemed to have requested, and the Borrower does hereby request under such circumstances, that such payment be financed with an ABR Borrowing in an equivalent amount and, to the extent so financed, the Borrower's obligation to make such payment shall be discharged and replaced by the resulting ABR Borrowing. If the Borrower fails to make such payment when due, the Administrative Agent shall notify each Lender of the applicable LC Disbursement, the payment then due from the Borrower in respect thereof and such Lender's Applicable Percentage thereof. Promptly following receipt of such notice, each Lender shall pay to the Administrative Agent its Applicable Percentage of the payment then due from the Borrower, in the same manner as provided in Section 2.05 with respect to Loans made by such Lender (and Section 2.05 shall apply, *mutatis mutandis*, to the payment obligations of the Lenders), and the Administrative Agent shall promptly pay to the applicable Issuing Bank the amounts so received by it from the Lenders. Promptly following receipt by the Administrative Agent of any payment from the Borrower pursuant to this Section 2.09(e), the Administrative Agent shall distribute such payment to the applicable Issuing Bank or, to the extent that Lenders have made payments pursuant to this Section 2.09(e) to reimburse the applicable Issuing Bank, then to such Lenders and the Issuing Bank as their interests may appear. Any payment made by a Lender pursuant to this Section 2.09(e) to reimburse the Issuing Bank for any LC Disbursement (other than the funding of ABR Loans as contemplated above) shall not constitute a Loan and shall not relieve the Borrower of its obligation to reimburse such LC Disbursement.

(f) Obligations Absolute. The Borrower's obligation to reimburse LC Disbursements as provided in Section 2.09(e) shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit, any Letter of Credit Agreement or any other Loan Document, or any term or provision therein, (ii) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) payment by the Issuing Bank under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit or any Letter of Credit Agreement, or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section 2.09(f), constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrower's obligations hereunder. Neither the Administrative Agent, the Lenders nor the Issuing Bank, nor any of their Related Parties shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of the Issuing Bank; provided that the foregoing shall not be construed to excuse the Issuing Bank from liability to the Borrower to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Borrower to the extent permitted by applicable law) suffered by the Borrower that are caused by the Issuing Bank's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence or willful misconduct on the part of the Issuing Bank (as finally determined by a court of competent jurisdiction), the Issuing Bank shall be deemed to have exercised all requisite care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, the Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

(g) Disbursement Procedures. An Issuing Bank shall, promptly following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. An Issuing Bank shall promptly notify the Administrative Agent and the Borrower by telephone (confirmed by telecopy or other electronic transmission) of such demand for payment and whether the Issuing Bank has made or will make an LC Disbursement thereunder; provided that any failure to give or delay in giving such notice shall not relieve the Borrower of its obligation to reimburse the applicable Issuing Bank and the Lenders with respect to any such LC Disbursement.

(h) Interim Interest. If an Issuing Bank shall make any LC Disbursement, then, until the Borrower shall have reimbursed such Issuing Bank for such LC Disbursement (either with its own funds or a Borrowing under Section 2.09(e)), the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the Borrower reimburses such LC Disbursement, at the rate *per annum* then applicable to ABR Loans. Interest accrued pursuant to this Section 2.09(h) shall be for the account of such Issuing Bank, except that interest accrued on and after the date of payment by any Lender pursuant to Section 2.09(e) to reimburse such Issuing Bank shall be for the account of such Lender to the extent of such payment.

(i) Replacement of the Issuing Bank. An Issuing Bank may be replaced at any time by written agreement among the Borrower, the Administrative Agent, the replaced Issuing Bank and the successor Issuing Bank. The Administrative Agent shall notify the Lenders of any such replacement of the Issuing Bank. At the time any such replacement shall become effective, the Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Bank pursuant to Section 3.05(b). From and after the effective date of any such replacement, (i) the successor Issuing Bank shall have all the rights and obligations of the replaced Issuing Bank under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term "Issuing Bank" shall also be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After the replacement of an Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit. Subject to the appointment and acceptance of a successor Issuing Bank, any Issuing Bank may resign as an Issuing Bank at any time upon thirty (30) days' prior written notice to the Administrative Agent, the Borrower and the Lenders, in which case, such Issuing Bank shall be replaced in accordance with this Section 2.09(i) above.

(j) Cash Collateralization. If (i) any Event of Default shall occur and be continuing and the Borrower receives notice from the Administrative Agent or the Majority Lenders demanding the deposit of Cash Collateral pursuant to this Section 2.09(j), (ii) the LC Exposure exceeds the LC Commitment at any time as a result of a reduction in the Borrowing Base, (iii) the Borrower is required to pay to the Administrative Agent the excess attributable to an LC Exposure in connection with any prepayment pursuant to Section 3.04(c) or (iv) the Borrower is required to Cash Collateralize a Defaulting Lender's LC Exposure pursuant to Section 2.10, then the Borrower shall deposit, in an account with the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Lenders, an amount in cash equal to 105% of (A) in the case of an Event of Default, the LC Exposure (net of any Cash Collateral already held at the applicable time by the Administrative Agent with respect to such LC Exposure) and (B) in the case of the LC Exposure exceeding the LC Commitment, the amount of such excess, and (C) in the case of a payment required by Section 3.04(c), the amount of such excess as provided in Section 3.04(c), as of such date plus any accrued and unpaid interest thereon; provided that the obligation to deposit such Cash Collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to the Borrower or any other Group Member described in Section 10.01(h) or Section 10.01(i). The Borrower hereby grants to the Administrative Agent, for the benefit of the Issuing Bank(s) and the Lenders, an exclusive first priority and continuing perfected security interest in and Lien on such account and all cash, checks, drafts, certificates and instruments, if any, from time to time deposited or held in such account, all deposits or wire transfers made thereto, any and all investments purchased with funds deposited in such account, all interest, dividends, cash, instruments, financial assets and other Property from time to time received, receivable or otherwise payable in respect of, or in exchange for, any or all of the foregoing, and all proceeds, products, accessions, rents, profits, income and benefits therefrom, and any substitutions and replacements therefor. The Borrower's obligation to deposit amounts pursuant to this Section 2.09(j) shall be absolute and unconditional, without regard to whether any beneficiary of any such Letter of Credit has attempted to draw down all or a portion of such amount under the terms of a Letter of Credit, and, to the fullest extent permitted by applicable law, shall not be subject to any defense or be affected by a right of set-off, counterclaim or recoupment which the Borrower or any of its Subsidiaries may now or hereafter have against any such beneficiary, the Issuing Bank(s), the Administrative Agent, the Lenders or any other Person for any reason whatsoever. Such deposit shall be held as collateral securing the payment and performance of the Borrower's and the Guarantor's obligations under this Agreement and the other Loan Documents. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent and at the Borrower's risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse the applicable Issuing Bank(s) for LC Disbursements for which it has not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrower for the LC Exposure at such time or, if the maturity of the Loans has been accelerated, be applied to satisfy other obligations of the Borrower and the Guarantors under this Agreement or the other Loan Documents. If the Borrower is required to provide an amount of Cash Collateral hereunder as a result of the occurrence of an Event of Default, and the Borrower is not otherwise required to pay to the Administrative Agent the excess attributable to an LC Exposure in connection with any prepayment pursuant to Section 3.04(c), then such amount (to the extent not applied as aforesaid) shall be returned to the Borrower within three Business Days after all Events of Default have been cured or waived.

Section 2.10 Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) Commitment Fees. Commitment fees shall cease to accrue on the unfunded portion of the Commitment of such Defaulting Lender pursuant to Section 3.05(a).

(b) Waivers and Amendments. The Maximum Credit Amount and the principal amount of the Loans and participation interests in Letters of Credit of the Defaulting Lenders (if any) shall not be included in determining whether the Majority Lenders or Required Lenders, as applicable, have taken or may take any action hereunder (including any consent to any amendment, waiver or other modification pursuant to Section 12.02); provided that, without prejudice to the terms of Section 12.02, this clause (b) shall not apply to the vote of a Defaulting Lender in the case of an amendment, waiver or other modification requiring the consent of such Lender or each Lender adversely affected thereby.

(c) if any LC Exposure exists at the time such Lender becomes a Defaulting Lender then:

(i) all or any part of the LC Exposure of such Defaulting Lender shall be reallocated among the non-Defaulting Lenders in accordance with their respective Applicable Percentage but only to the extent the sum of all non-Defaulting Lenders' Revolving Credit Exposure plus such Defaulting Lender's LC Exposure does not exceed the total of all non-Defaulting Lenders' Commitments;

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Borrower shall within one Business Day following notice by the Administrative Agent (A) Cash Collateralize for the benefit of the Issuing Bank only the Borrower's obligations corresponding to such Defaulting Lender's LC Exposure (after giving effect to any partial reallocation pursuant to clause (i) above) in accordance with the procedures set forth in Section 2.09(j) for so long as such LC Exposure is outstanding;

(iii) if the Borrower Cash Collateralizes any portion of such Defaulting Lender's LC Exposure pursuant to clause (ii) above, the Borrower shall not be required to pay any fees to such Defaulting Lender pursuant to Section 3.05(b) with respect to such Defaulting Lender's LC Exposure during the period such Defaulting Lender's LC Exposure is Cash Collateralized;

(iv) if the LC Exposure of the non-Defaulting Lenders is reallocated pursuant to clause (i) above, then the fees payable to the Lenders pursuant to Section 3.05(a) and Section 3.05(b) shall be adjusted in accordance with such non-Defaulting Lenders' Applicable Percentage; and

(v) if all or any portion of such Defaulting Lender's LC Exposure is neither reallocated nor Cash Collateralized pursuant to clause (i) or (ii) above, then, without prejudice to any rights or remedies of the Issuing Bank or any other Lender hereunder, all fees payable Section 3.05(a) with respect to such Defaulting Lender's LC Exposure shall be payable to the Issuing Bank until and to the extent that such LC Exposure is reallocated and/or Cash Collateralized.

(d) So long as such Lender is a Defaulting Lender, the Issuing Bank shall not be required to issue, extend, renew or increase any Letter of Credit, unless it is satisfied that the related exposure and the Defaulting Lender's then outstanding LC Exposure will be 100% covered by the Commitments of the non-Defaulting Lenders and/or Cash Collateral will be provided by the Borrower in accordance with Section 2.10(c), and participating interests in any newly issued, extended, renewed or increased Letter of Credit shall be allocated among non-Defaulting Lenders in a manner consistent with Section 2.10(c)(i) (and such Defaulting Lender shall not participate therein).

(e) New Letters of Credit. If (a) a Bankruptcy Event or a Bail-In Action with respect to a Lender Parent of any Lender shall occur following the date hereof and for so long as such event shall continue or (b) the Issuing Bank has a good faith belief that any Lender has defaulted in fulfilling its obligations under one or more other agreements in which such Lender commits to extend credit, the Issuing Bank shall not be required to issue, extend, renew or increase any Letter of Credit, unless the Issuing Bank shall have entered into arrangements with the Borrower or such Lender, satisfactory to the Issuing Bank to defease any risk to it in respect of such Lender hereunder.

(f) Defaulting Lender Cure. In the event that the Administrative Agent, the Borrower and the Issuing Bank each agrees that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the LC Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender's Commitment and on such date such Lender shall purchase at par such of the Loans of the other Lenders as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Loans in accordance with its Applicable Percentage.

ARTICLE III
PAYMENTS OF PRINCIPAL AND INTEREST; PREPAYMENTS; FEES

Section 3.01 Repayment of Loans. The Borrower hereby unconditionally promises to pay to the Administrative Agent for the account of each Lender the then unpaid principal amount of each Loan on the Termination Date.

Section 3.02 Interest

(a) ABR Loans. The Loans comprising each ABR Borrowing shall bear interest at the Alternate Base Rate plus the Applicable Margin, but in no event to exceed the Highest Lawful Rate.

(b) Term Benchmark Loans; RFR Loans. (i) The Loans comprising each Term Benchmark Borrowing shall bear interest at the Adjusted Term SOFR Rate for the Interest Period in effect for such Borrowing plus the Applicable Margin, but in no event to exceed the Highest Lawful Rate; and (ii) the Loans comprising each RFR Borrowing shall bear interest at Adjusted Daily Simple SOFR plus the Applicable Margin, but in no event to exceed the Highest Lawful Rate.

(c) Post-Default Rate. Notwithstanding the foregoing, if any principal of or interest on any Loan or any fee or other amount payable by the Borrower or any Guarantor hereunder or under any other Loan Document is not paid when due, whether at stated maturity, upon acceleration or otherwise, such overdue amount shall bear interest, after as well as before judgment, at a rate *per annum* equal to two percent (2%) plus the rate applicable to ABR Loans as provided in Section 3.02(a), but in no event to exceed the Highest Lawful Rate.

(d) Interest Payment Dates. Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan and on the Termination Date; provided that (i) interest accrued pursuant to Section 3.02(c) shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan (other than an optional prepayment of an ABR Loan prior to the Termination Date), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of any Term Benchmark Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(e) Interest Rate Computations. All interest hereunder shall be computed on the basis of a year of 360 days, unless such computation would exceed the Highest Lawful Rate, in which case interest shall be computed on the basis of a year of 365 days (or 366 days in a leap year), except that interest computed by reference to the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). All interest hereunder on any Loan shall be computed on a daily basis based upon the outstanding principal amount of such Loan as of the applicable date of determination. The applicable Alternate Base Rate, Term SOFR Rate, Adjusted Term SOFR Rate, Daily Simple SOFR or Adjusted Daily Simple SOFR shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error, and be binding upon the parties hereto.

Section 3.03 Alternate Rate of Interest. (a) Subject to clauses (c), (d), (e), (f) and (g) of this Section 3.03, if:

(i) the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) (A) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, that adequate and reasonable means do not exist for ascertaining the Adjusted Term SOFR Rate or the Term SOFR Rate, as applicable, for such Interest Period (including because the Term SOFR Reference Rate is not available or published on a current basis) or (B) at any time, that adequate and reasonable means do not exist for ascertaining the applicable Adjusted Daily Simple SOFR or Daily Simple SOFR; or

(ii) the Administrative Agent shall have received notice from the Majority Lenders that (A) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, the Adjusted Term SOFR Rate for such Interest Period will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan) included in such Borrowing for such Interest Period or (B) at any time, Adjusted Daily Simple SOFR will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan) included in such Borrowing;

then the Administrative Agent shall give notice thereof to the Borrower and the Lenders by telephone or electronic mail as promptly as practicable thereafter and, until (x) the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist with respect to the relevant Benchmark and (y) the Borrower delivers a new Interest Election Request in accordance with the terms of Section 2.04 or a new Borrowing Request in accordance with the terms of Section 2.03, (1) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Term Benchmark Borrowing and any Borrowing Request that requests a Term Benchmark Borrowing shall instead be deemed to be an Interest Election Request or a Borrowing Request, as applicable, for (x) an RFR Borrowing so long as the Adjusted Daily Simple SOFR is not also the subject of Section 3.03(a)(i) or (ii) above or (y) an ABR Borrowing if Adjusted Daily Simple SOFR also is the subject of Section 3.03(a)(i) or (ii) above and (2) any Borrowing Request that requests an RFR Borrowing shall instead be deemed to be a Borrowing Request, as applicable, for an ABR Borrowing; *provided* that if the circumstances giving rise to such notice affect only one Type of Borrowings, then all other Types of Borrowings shall be permitted. Furthermore, if any Term Benchmark Loan or RFR Loan is outstanding on the date of the Borrower's receipt of the notice from the Administrative Agent referred to in this Section 3.03(a) with respect to a Relevant Rate applicable to such Term Benchmark Loan or RFR Loan, then until (x) the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist with respect to the relevant Benchmark and (y) the Borrower delivers a new Interest Election Request in accordance with the terms of Section 2.04 or a new Borrowing Request in accordance with the terms of Section 2.03, (1) any Term Benchmark Loan shall on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day), be converted by the Administrative Agent to, and shall constitute, (x) an RFR Borrowing so long as Adjusted Daily Simple SOFR is not also the subject of Section 3.03(a)(i) or (ii) above or (y) an ABR Borrowing if Adjusted Daily Simple SOFR also is the subject of Section 3.03(a)(i) or (ii) above on such day and (2) any RFR Loan shall on and from such day be converted by the Administrative Agent to, and shall constitute, an ABR Loan.

(b) If any Lender determines that any requirement of law has made it unlawful, or if any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable lending office to make, maintain, fund or continue any Term Benchmark Borrowing, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, dollars in the offshore interbank market, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, any obligations of such Lender to make, maintain, fund or continue Term Benchmark Loans or to convert ABR Borrowings to Term Benchmark Borrowings will be suspended until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist (but for the avoidance of doubt, such related changes shall not include a reduction of the Applicable Margin). Upon receipt of such notice, the Borrower will upon demand from such Lender (with a copy to the Administrative Agent), either convert or prepay all Term Benchmark Borrowings of such Lender to ABR Borrowings, either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Term Benchmark Borrowings to such day, or immediately, if such Lender may not lawfully continue to maintain such Loans. Upon any such conversion or prepayment, the Borrower will also pay accrued interest on the amount so converted or prepaid.

(c) Notwithstanding anything to the contrary herein or in any other Loan Document (and any Swap Agreement shall be deemed not to be a "Loan Document" for purposes of this Section 3.03), if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Majority Lenders.

(d) Notwithstanding anything to the contrary herein or in any other Loan Document, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(e) The Administrative Agent will promptly notify the Borrower and the Lenders of (i) any occurrence of a Benchmark Transition Event, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (f) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 3.03, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 3.03.

(f) Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(g) Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a Term Benchmark Borrowing or RFR Borrowing of, conversion to or continuation of Term Benchmark Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any request for a Term Benchmark Borrowing into a request for a Borrowing of or conversion to (i) an RFR Borrowing so long as the Adjusted Daily Simple SOFR is not the subject of a Benchmark Transition Event or (ii) an ABR Borrowing if the Adjusted Daily Simple SOFR is the subject of a Benchmark Transition Event. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR. Furthermore, if any Term Benchmark Loan or RFR Loan is outstanding on the date of the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a Relevant Rate applicable to such Term Benchmark Loan or RFR Loan, then until such time as a Benchmark Replacement is implemented pursuant to this Section 3.03, (A) any Term Benchmark Loan shall on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day), be converted by the Administrative Agent to, and shall constitute (x) an RFR Borrowing so long as the Adjusted Daily Simple SOFR is not the subject of a Benchmark Transition Event or (y) an ABR Loan if the Adjusted Daily Simple SOFR is the subject of a Benchmark Transition Event, on such day and (B) any RFR Loan shall on and from such day be converted by the Administrative Agent to, and shall constitute an ABR Loan.

Section 3.04 Prepayments.

(a) Optional Prepayments. The Borrower shall have the right at any time and from time to time to prepay, without premium or penalty (except with respect to any amounts due under Section 5.02), any Borrowing in whole or in part, subject to prior notice in accordance with Section 3.04(b).

(b) Notice and Terms of Optional Prepayment. The Borrower shall notify the Administrative Agent by telephone (confirmed by telecopy or other electronic transmission) of any prepayment hereunder (i) in the case of prepayment of (A) a Term Benchmark Borrowing, not later than 12:00 noon, New York City time, three Business Days before the date of prepayment or (B) an RFR Borrowing, not later than 11:00 a.m., New York City time, four Business Days before the date of prepayment or (ii) in the case of prepayment of an ABR Borrowing, not later than 11:00 a.m., New York City time, one Business Day before the date of prepayment (or, in each case, such shorter time as the Administrative Agent may agree). Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid; provided that, if a notice of prepayment is given in connection with a conditional notice of termination of the Commitments as contemplated by Section 2.06(b), then such notice of prepayment may be revoked if such notice of termination is revoked in accordance with Section 2.06(b). Promptly following receipt of any such notice relating to a Borrowing, the Administrative Agent shall advise the Lenders of the contents thereof. Each partial prepayment of any Borrowing shall be in an amount that would be permitted in the case of an advance of a Borrowing of the same Type as provided in Section 2.02. Each prepayment of a Borrowing shall be applied ratably to the Loans included in the prepaid Borrowing. Prepayments shall be accompanied by accrued interest to the extent required by Section 3.02 and any amounts due under Section 5.02.

(c) Mandatory Prepayments.

(i) Upon Optional Termination and Reduction. If, after giving effect to any termination or reduction of the Aggregate Maximum Credit Amounts pursuant to Section 2.06(b), there is a Borrowing Base Deficiency, then the Borrower shall (A) prepay the Borrowings on the date of such termination or reduction in an aggregate principal amount equal to such Borrowing Base Deficiency, and (B) if any Borrowing Base Deficiency remains after prepaying all of the Borrowings as a result of any LC Exposure, pay to the Administrative Agent on behalf of the Lenders an amount equal to such remaining Borrowing Base Deficiency to be held as Cash Collateral as provided in Section 2.09(j).

(ii) Upon Redeterminations and Title Related Borrowing Base Adjustment. If there is a Borrowing Base Deficiency as a result of (A) any redetermination of the Borrowing Base in accordance with Section 2.07 or (B) a Borrowing Base adjustment pursuant to Section 2.08(b), then upon such Redetermination Date or the occurrence of such Borrowing Base Adjustment (such date, the "Deficiency Date"), the Borrower shall, within 5 Business Days of the Deficiency Date, inform the Administrative Agent that it intends to do one or more of the following:

(A) within thirty (30) days of the Deficiency Date (1) prepay the Borrowings in an aggregate principal amount equal to such Borrowing Base Deficiency and (2) if any Borrowing Base Deficiency remains after prepaying all of the Borrowings as a result of any LC Exposure, Cash Collateralize as provided in Section 2.09(j),

(B) commencing on the 30th day after the Deficiency Date and continuing on the same day of each month for the next three months thereafter (or if any such day is not a Business Day, the immediately preceding Business Day), prepay the Borrowings in an amount equal to one-fourth (1/4th) of such Borrowing Base Deficiency so that the Borrowing Base Deficiency is reduced to zero within 120 days of the Deficiency Date, or

(C) within thirty (30) days of the Deficiency Date, submit and pledge as Collateral additional Oil and Gas Properties not evaluated in the most recently delivered Reserve Report or other collateral reasonably acceptable to the Administrative Agent owned by the Borrower or any of the other Loan Parties for consideration in connection with the determination of the Borrowing Base which the Administrative Agent and the Required Lenders deem satisfactory, in their sole discretion, to eliminate such Borrowing Base Deficiency;

provided that, notwithstanding the options set forth above, in all cases, the Borrowing Base Deficiency must be eliminated on or prior to the Termination Date. If, because of LC Exposure, a Borrowing Base Deficiency remains after prepaying all of the Loans, the Borrower shall Cash Collateralize Letters of Credit in an amount equal to such remaining Borrowing Base Deficiency as provided in Section 2.09(j).

(iii) Upon Certain Adjustments. If there is a Borrowing Base Deficiency, as a result of Borrowing Base adjustment pursuant to the Borrowing Base Adjustment Provisions (other than Section 2.08(b)), then upon the occurrence of such Borrowing Base adjustment the Borrower shall (A) prepay the Borrowings in an aggregate principal amount equal to such Borrowing Base Deficiency and (B) if any Borrowing Base Deficiency remains after prepaying all of the Borrowings as a result of an LC Exposure, pay to the Administrative Agent on behalf of the Lenders an amount equal to such remaining Borrowing Base Deficiency to be held as Cash Collateral as provided in Section 2.09(j).

(iv) During an Event of Default. If an Event of Default has occurred and is continuing, upon any (A) Disposition of Property, (B) Unwind of any Swap Agreement or (C) incurrence or issuance of Indebtedness, an aggregate amount equal to one hundred percent (100%) of the Net Proceeds received therefrom shall be applied to repay the Secured Obligations in accordance with the priority set forth in Section 10.02(d).

(v) Application in Connection with Consolidated Cash Balance. If, at the end of any Friday (or, if such day is not a Business Day, then as of the end of the next Business Day), (A) there is Revolving Credit Exposure and (B) the Consolidated Cash Balance exceeds the lesser of (1) $30,000,000 and (2) 10% of the Borrowing Base, then the Borrower shall, on the next Business Day thereafter, (I) prepay the Loans in an aggregate principal amount equal to such excess and (II) if any excess remains after prepaying all of the Loans because of LC Exposure, Cash Collateralize such remaining excess as provided in Section 2.09(j).

(vi) Application of Prepayments to Types of Borrowings. Each prepayment of Borrowings pursuant to this Section 3.04(c) shall be applied, first, ratably to any ABR Borrowings then outstanding, second, ratably to any RFR Borrowings then outstanding and third, ratably to any Term Benchmark Borrowings then outstanding, and if more than one Term Benchmark Borrowing is then outstanding, to each such Term Benchmark Borrowing in order of priority beginning with the Term Benchmark Borrowing with the least number of days remaining in the Interest Period applicable thereto and ending with the Term Benchmark Borrowing with the most number of days remaining in the Interest Period applicable thereto.

(vii) Interest to be Paid with Prepayments. Each prepayment of Borrowings pursuant to this Section 3.04(c) shall be applied ratably to the Loans included in the prepaid Borrowings. Prepayments pursuant to this Section 3.04(c) shall be accompanied by accrued interest to the extent required by Section 3.02.

(d) No Premium or Penalty. Prepayments permitted or required under this Section 3.04 shall be without premium or penalty, except as required under Section 5.02.

Section 3.05 Fees.

(a) Commitment Fees. The Borrower agrees to pay to the Administrative Agent for the account of each Lender a commitment fee, which shall accrue at the applicable Commitment Fee Rate on the average daily amount of the unused amount of the Commitment of such Lender (determined taking into account both Loans and LC Exposure) during the period from and including the date of this Agreement to but excluding the Termination Date. Accrued commitment fees shall be payable in arrears on the last Business Day of March, June, September and December of each year and on the Termination Date, commencing on the first such date to occur after the date hereof. All commitment fees shall be computed on the basis of a year of 360 days, unless such computation would exceed the Highest Lawful Rate, in which case interest shall be computed on the basis of a year of 365 days (or 366 days in a leap year) (or in such other manner as the Administrative Agent shall provide so that such computation shall not exceed the Highest Lawful Rate), and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(b) Letter of Credit Fees. The Borrower agrees to pay (i) to the Administrative Agent for the account of each Lender a participation fee with respect to its participations in Letters of Credit, which shall accrue at the same Applicable Margin used to determine the interest rate applicable to Term Benchmark Loans on the average daily amount of such Lender's LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the date of this Agreement to but excluding the later of the date on which such Lender's Commitment terminates and the date on which such Lender ceases to have any LC Exposure, (ii) to each applicable Issuing Bank a fronting fee, which shall accrue at the rate equal to the greater of (A) $750 and (B) 0.25% *per annum* (or such other rate as may be agreed to with such Issuing Bank) on the average daily amount of the LC Exposure attributable to such Issuing Bank (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the date of this Agreement to but excluding the later of the date of termination of the Commitments and the date on which there ceases to be any LC Exposure; provided that in no event shall such fee be less than $750.00 during any quarter unless no LC Exposure existed at any time during such quarter and (iii) to each Issuing Bank, for its own account, its standard fees with respect to the issuance, amendment, renewal or extension of any Letter of Credit or processing of drawings thereunder. Participation fees and fronting fees accrued through and including the last Business Day of March, June, September and December of each year shall be payable on such last Business Day, commencing on the first such date to occur after the date of this Agreement; provided that all such fees shall be payable on the Termination Date and any such fees accruing after the Termination Date shall be payable on demand. Any other fees payable to any Issuing Bank pursuant to this Section 3.05(b) shall be payable within 10 days after demand. All participation fees and fronting fees shall be computed on the basis of a year of 360 days, unless such computation would exceed the Highest Lawful Rate, in which case interest shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(c) Administrative Agent Fees. The Borrower agrees to pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times separately agreed upon in writing between the Borrower and the Administrative Agent.

ARTICLE IV
PAYMENTS; PRO RATA TREATMENT; SHARING OF SET-OFFS

Section 4.01 Payments Generally; Pro Rata Treatment; Sharing of Set-offs.

(a) Payments by the Borrower. The Borrower shall make each payment required to be made by it hereunder (whether of principal, interest, fees or reimbursement of LC Disbursements, or of amounts payable under Section 5.01, Section 5.02, Section 5.03 or otherwise) prior to 12:00 noon, New York City time, on the date when due, in immediately available funds, without defense, deduction, recoupment, set-off or counterclaim. Fees, once paid, shall be fully earned and shall not be refundable under any circumstances, absent manifest error. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at its offices specified in Section 12.01, except payments to be made directly to the applicable Issuing Bank as expressly provided herein and except that payments pursuant to Section 5.01, Section 5.02, Section 5.03 and Section 12.03 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments hereunder shall be made in dollars.

(b) Application of Insufficient Payments. If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, unreimbursed LC Disbursements, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, towards payment of principal and unreimbursed LC Disbursements then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal and unreimbursed LC Disbursements then due to such parties.

(c) Sharing of Payments by Lenders. If any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or participations in LC Disbursements resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Loans and participations in LC Disbursements and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Loans and participations in LC Disbursements of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and participations in LC Disbursements; provided that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this Section 4.01(c) shall not be construed to apply to any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in LC Disbursements to any assignee or participant, other than to the Borrower or any Subsidiary or Affiliate thereof (as to which the provisions of this Section 4.01(c) shall apply). The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

Section 4.02 Presumption of Payment by the Borrower. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the applicable Issuing Bank that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the applicable Issuing Bank, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders or the applicable Issuing Bank, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or Issuing Bank with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the NYFRB Rate.

Section 4.03 Certain Deductions by the Administrative Agent. If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.05(a), Section 2.09(d), Section 2.09(e) or Section 4.02 then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations under such Sections until all such unsatisfied obligations are fully paid.

ARTICLE V
INCREASED COSTS; BREAK FUNDING PAYMENTS; TAXES; ILLEGALITY

Section 5.01 Increased Costs.

(a) Changes in Law. If any Change in Law shall:

(i) subject any Credit Party to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

(ii) impose, modify or hold applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets held by, deposits or other liabilities in or for the account of, advances, loans or other extensions of credit (or participations therein) by, or any other acquisition of funds by, any office of such Lender or any Issuing Bank that is not otherwise included in the determination of the Adjusted Term SOFR Rate; or

(iii) impose on such Lender or any Issuing Bank or the offshore interbank market for dollars any other condition, cost or expense (other than Taxes) affecting this Agreement or Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender or such other Credit Party of making, converting into, continuing or maintaining any Loan or of maintaining its obligation to make any such Loan, or to increase the cost to such Lender, such Issuing Bank or other Credit Party of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit) or to reduce the amount of any sum received or receivable by such Lender or such other Credit Party (whether of principal, interest or otherwise), then the Borrower will pay to such Lender or such other Credit Party such additional amount or amounts as will compensate such Lender or such other Credit Party for such additional costs incurred or reduction suffered.

(b) Capital and Liquidity Requirements. If any Lender or Issuing Bank reasonably determines that any Change in Law regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or Issuing Bank's capital or on the capital of such Lender's or Issuing Bank's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by any Issuing Bank, to a level below that which such Lender or Issuing Bank or such Lender's or Issuing Bank's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or Issuing Bank's policies and the policies of such Lender's or Issuing Bank's holding company with respect to capital adequacy or liquidity), then from time to time the Borrower will pay to such Lender or Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or Issuing Bank or such Lender's or Issuing Bank's holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender or Issuing Bank setting forth the amount or amounts necessary to compensate such Lender or Issuing Bank or its holding company, as the case may be, as specified in Section 5.01(a) or Section 5.01(b) shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender or Issuing Bank, as the case may be, the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Effect of Failure or Delay in Requesting Compensation. Failure or delay on the part of any Lender or Issuing Bank to demand compensation pursuant to this Section 5.01 shall not constitute a waiver of such Lender's or Issuing Bank's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender or Issuing Bank pursuant to this Section 5.01 for any increased costs or reductions incurred more than 365 days prior to the date that such Lender or Issuing Bank, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or Issuing Bank's intention to claim compensation therefor; provided further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 365-day period referred to above shall be extended to include the period of retroactive effect thereof.

Section 5.02 Break Funding Payments.

(a) With respect to Loans that are not RFR Loans, the Borrower shall compensate each Lender for the loss, cost and expense attributable to any of the following (i) the payment of any principal of any Term Benchmark Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default or an optional or mandatory prepayment of Loans), (ii) the conversion of any Term Benchmark Loan into an ABR Loan other than on the last day of the Interest Period applicable thereto, (iii) the failure to borrow, convert, continue or prepay any Term Benchmark Loan on the date specified in any notice delivered pursuant hereto or (iv) the assignment of any Term Benchmark Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 5.05. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section 5.02(a) shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

(b) With respect to RFR Loans, the Borrower shall compensate each Lender for the loss, cost and expense attributable to any of the following (i) the payment of any principal of any RFR Loan other than on the Interest Payment Date applicable thereto (including as a result of an Event of Default or an optional or mandatory prepayment of Loans), (ii) the failure to borrow or prepay any RFR Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 3.04 and is revoked in accordance therewith) or (iii) the assignment of any RFR Loan other than on the Interest Payment Date applicable thereto as a result of a request by the Borrower pursuant to Section 5.05. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section 5.02(b) shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

Section 5.03 Taxes.

(a) Defined Terms. For purposes of this Section 5.03, Section 5.04 and Section 5.05, the term "Lender" includes any Issuing Bank and the term "applicable law" includes FATCA.

(b) Payments Free of Taxes. Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable withholding agent) requires the deduction or withholding of any Tax from any such payment by a withholding agent, then the applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Loan Party shall be increased as necessary so that, after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 5.03), the applicable Credit Party receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(c) Payment of Other Taxes by the Loan Parties. The Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for, Other Taxes.

(d) Indemnification by the Loan Parties. The Loan Parties shall jointly and severally indemnify each Credit Party, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 5.03) payable or paid by such Credit Party or required to be withheld or deducted from a payment to such Credit Party and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(e) Indemnification by the Lenders. Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so) and (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 12.04(c) relating to the maintenance of a Participant Register, in either case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f) Evidence of Payments. As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section 5.03, such Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(g) Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 5.03(g)(ii)(A), Section 5.03(g)(ii)(B) and Section 5.03(g)(ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Non-U.S. Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Non-U.S. Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Non-U.S. Lender claiming the benefits of an income tax treaty to which the United States of America is a party (x) with respect to payments of interest under any Loan Document, executed originals of IRS Form W-8BEN-E or IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN-E or IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed originals of IRS Form W-8ECI;

(3) in the case of a Non-U.S. Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit H-1 to the effect that such Non-U.S. Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed originals of IRS Form W-8BEN-E or IRS Form W-8BEN; or

(4) to the extent a Non-U.S. Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN-E, IRS Form W-8BEN, a U.S. Tax Compliance Certificate substantially in the form of Exhibit H-2 or Exhibit H-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Non-U.S. Lender is a partnership and one or more direct or indirect partners of such Non-U.S. Lender are claiming the portfolio interest exemption, such Non-U.S. Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit H-4 on behalf of each such direct and indirect partner;

(C) any Non-U.S. Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Non-U.S. Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed originals of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(h) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 5.03 (including by the payment of additional amounts pursuant to this Section 5.03), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section 5.03 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes with respect to such refund) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (h) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (h), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (h) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(i) Survival. Each party's obligations under this Section 5.03 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under the Loan Documents.

Section 5.04 Designation of Different Lending Office. If any Lender requests compensation under Section 5.01, or if the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 5.03, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 5.01 or Section 5.03, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

Section 5.05 Replacement of Lenders. If (a) any Lender requests compensation under Section 5.01, (b) the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 5.03, (c) any Lender is a Defaulting Lender, or (d) any Lender fails to consent to an election, consent, approval, amendment, waiver or other modification to this Agreement or any other Loan Document that requires the consent of all Lenders or all directly and adversely affected Lenders, and such election, consent, amendment, waiver or other modification is otherwise consented to by the Required Lenders (excluding the Maximum Credit Amounts of Defaulting Lenders), then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 12.04(b)), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that (i) the Borrower shall have received the prior written consent of the Administrative Agent, which consent shall not unreasonably be withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in LC Disbursements, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 5.02), from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts) and (iii) in the case of any such assignment resulting from a claim for compensation under Section 5.01 or payments required to be made pursuant to Section 5.03, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

ARTICLE VI
CONDITIONS PRECEDENT

Section 6.01 Closing Date. The obligations of the Lenders to make Loans and of the Issuing Bank to issue Letters of Credit hereunder shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 12.02):

(a) Credit Agreement. The Administrative Agent shall have received from each party hereto counterparts (in such number as may be requested by the Administrative Agent) of this Agreement signed on behalf of such party.

(b) Loan Documents.

(i) Execution of Security Instruments. The Administrative Agent shall have received from each party thereto counterparts (in such number as may be requested by the Administrative Agent) of the Security Instruments, including the Guarantee and Collateral Agreement and Perfection Certificate, described on Exhibit F-1 that have been executed and delivered by a Responsible Officer of each party thereto.

(ii) Filings, Registrations and Recordings. Each Security Instrument and any other document (including any Uniform Commercial Code financing statement) required by any Security Instrument or under law or reasonably requested by the Administrative Agent to be filed, registered or recorded in order to create in favor of the Administrative Agent, for the benefit of the Lenders, a perfected Lien on the Collateral described therein, prior and superior in right to any other Person shall be in proper form for filing, registration or recordation.

(iii) Mortgage Coverage. The Administrative Agent shall be reasonably satisfied that, upon recording the Mortgages, in each case, in the appropriate filing offices, it shall have a first priority Lien on at least 85% of the PV-9 of the Borrowing Base Properties.

(iv) Pledged Stock; Stock Powers; Pledged Notes. The Administrative Agent shall have received (A) the certificates representing the shares of Equity Interests pledged pursuant to the Guarantee and Collateral Agreement, together with an undated stock power for each such certificate executed in blank by a duly authorized officer of the pledgor thereof and (B) each promissory note (if any) pledged to the Administrative Agent pursuant to the Guarantee and Collateral Agreement endorsed (without recourse) in blank (or accompanied by an executed transfer form in blank) by the pledgor thereof.

(c) Secretary's Certificates. The Administrative Agent shall have received a certificate of a Responsible Officer of each Loan Party setting forth (i) resolutions of its board of directors or other appropriate governing body with respect to the authorization of such Loan Party to execute and deliver the Loan Documents to which it is a party and to enter into the transactions contemplated in those documents, (ii) the officers of such Loan Party (A) who are authorized to sign the Loan Documents to which such Loan Party is a party and (B) who will, until replaced by another officer or officers duly authorized for that purpose, act as its representative for the purposes of signing documents and giving notices and other communications in connection with this Agreement and the transactions contemplated hereby, (iii) specimen signatures of such authorized officers and (iv) the articles or certificate of incorporation and by-laws or other applicable Organizational Documents of such Loan Party, certified by a Responsible Officer as being true and complete. The Administrative Agent and the Lenders may conclusively rely on such certificate until the Administrative Agent receives notice in writing from such Loan Party to the contrary.

(d) Corporate Status; Good Standing Certificates. The Administrative Agent shall have received certificates of the appropriate State agencies with respect to the existence, qualification and good standing of each Loan Party in each jurisdiction where any such Loan Party is organized or owns Borrowing Base Properties.

(e) Responsible Officer's Certificate. The Administrative Agent shall have received a certificate of a Responsible Officer of the Borrower in form and substance reasonably satisfactory to the Administrative Agent certifying that (i) the Borrower has received all government and third party approvals required by Section 7.03 and such approvals have been obtained on satisfactory terms and (ii) no action, proceeding or litigation is pending or threatened in any court or before any Governmental Authority that involves any Loan document or that is seeking to enjoin or prevent the consummation of the Transactions contemplated hereby.

(f) Solvency Certificate. The Administrative Agent shall have received a Solvency Certificate, duly executed by a Financial Officer and dated as of the Closing Date.

(g) Responsible Officer's Certificate: Indebtedness. The Administrative Agent shall have received a certificate of a Responsible Officer of the Borrower in form and substance reasonably satisfactory to the Administrative Agent certifying that the Borrower and the other Group Members will have outstanding no Indebtedness for borrowed money or Disqualified Capital Stock other than the Secured Obligations under this Agreement.

(h) Initial Reserve Report. The Administrative Agent shall have received the Initial Reserve Report accompanied by a certificate covering the matters described in Section 8.11(c)(i), Section 8.11(c)(ii), Section 8.11(c)(iii) and Section 8.11(c)(vi).

(i) Patriot Act. The Administrative Agent shall have received, at least five (5) days prior to the Closing Date, all documentation and other information requested at least two (2) Business Days prior to such date and required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act.

(j) Legal Opinions. The Administrative Agent shall have received an opinion of (i) Vinson & Elkins LLP, counsel for the Loan Parties and (ii) local counsel in any jurisdictions where Security Instruments will be recorded to perfect first priority Liens on any Borrowing Base Properties, in each case in form and of substance reasonably acceptable to the Administrative Agent.

(k) Fees. The Administrative Agent, the Arranger and the Lenders shall have received all fees and other amounts due and payable on or prior to the Closing Date and, to the extent invoiced, reimbursement or payment of all reasonable and documented out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder.

(l) Title. The Administrative Agent shall have received title information as the Administrative Agent may reasonably require, satisfactory to the Administrative Agent, setting forth the status of title to at least 85% of the PV-9 of the Borrowing Base Properties.

(m) Lien Searches. The Administrative Agent shall have received appropriate UCC searches reflecting no prior Liens encumbering the Properties of the Borrower and the Loan Parties other than those being released on or prior to the Closing Date and those permitted by Section 9.03.

(n) No MAE. Since December 31, 2016, excluding results from (i) general changes in hydrocarbon prices, (ii) general changes in industry or economic conditions, and (iii) general changes in political conditions, including any engagements of hostilities, acts of war or terrorist activities or changes imposed by a governmental authority associated with additional security, there has not been any change, development or event that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect.

(o) Insurance Certificates. The Administrative Agent shall have received certificates of insurance coverage of the Loan Parties in form and substance reasonably satisfactory to the Administrative Agent evidencing that the Loan Parties are carrying insurance in accordance with Section 8.06.

The Administrative Agent shall notify the Borrower and the Lenders of the Closing Date, and such notice shall be conclusive and binding. Notwithstanding the foregoing, the obligations of the Lenders to make Loans and of the Issuing Bank(s) to issue Letters of Credit hereunder shall not become effective unless each of the foregoing conditions is satisfied (or waived pursuant to Section 12.02) at or prior to 5:00 p.m., New York City time, on April 21, 2017 (an, in the event such conditions are not so satisfied or waived, this Agreement shall terminate at such time).

Section 6.02 Each Credit Event. The obligation of each Lender to make a Loan on the occasion of any Borrowing (including the initial funding), and of the Issuing Bank(s) to issue Letters of Credit or amend any Letter of Credit to increase the amount thereof, is subject to the satisfaction of the following conditions:

(a) At the time of and immediately after giving effect to such Borrowing or any such issuance or amendment of such Letter of Credit, as applicable, no Default or Event of Default shall have occurred and be continuing.

(b) The representations and warranties of the Borrower and the Guarantors set forth in this Agreement and in the other Loan Documents shall be true and correct in all material respects (unless already qualified by materiality in which case such applicable representation and warranty shall be true and correct) on and as of the date of such Borrowing or the date of any such issuance or amendment of such Letter of Credit, as applicable, except to the extent any such representations and warranties are expressly limited to an earlier date, in which case, on and as of the date of such Borrowing or the date of issuance, amendment, renewal or extension of such Letter of Credit, as applicable, such representations and warranties shall continue to be true and correct in all material respects (unless already qualified by materiality in which case such applicable representation and warranty shall be true and correct) as of such specified earlier date.

(c) At the time of such Borrowing or the issuance, amendment, renewal or extension of such Letter of Credit, as applicable, and also after giving effect thereto, the Consolidated Cash Balance shall not exceed the lesser of (i) $30,000,000 and (ii) 10% of the Borrowing Base.

(d) The receipt by the Administrative Agent of a Borrowing Request in accordance with Section 2.03 or a request for a Letter of Credit (or any such amendment to increase the amount of a Letter of Credit) in accordance with Section 2.09(b), as applicable.

Each request for any such Borrowing or for the issuance of any Letter of Credit or for any amendment to increase the amount of any Letter of Credit shall be deemed to constitute a representation and warranty by the Borrower on the date thereof as to the matters specified in Section 6.02(a) through Section 6.02(c).

ARTICLE VII
REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lenders that:

Section 7.01 Organization; Powers. Each Group Member is (a)(i) duly organized, validly existing and (ii) in good standing under the laws of the jurisdiction of its organization, (b) has all requisite power and authority, and has all governmental licenses, authorizations, consents and approvals necessary, to own its assets and to carry on its business as now conducted, and is qualified to do business in, and (c) is in good standing in, every material jurisdiction where such qualification is required, except for purposes of Section 7.01(a)(ii), 7.01(b) and 7.01(c) to the extent that a failure to be so qualified could not reasonably be expected to result in a Material Adverse Effect.

Section 7.02 Authority; Enforceability. The Transactions are within each Group Member's corporate or equivalent powers and have been duly authorized by all necessary corporate or equivalent and, if required, owner action. Each Loan Document to which a Loan Party is a party has been duly executed and delivered by it and constitutes its legal, valid and binding obligation, as applicable, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Section 7.03 Approvals; No Conflicts. The Transactions (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority or any other third Person, nor is any such consent, approval, registration, filing or other action necessary for the validity or enforceability of any Loan Document or the consummation of the transactions contemplated thereby, except such as have been obtained or made and are in full force and effect other than the recording and filing of financing statements and the Security Instruments as required by this Agreement (b) will not violate (i) in any material respect, any applicable law or regulation or any order of any Governmental Authority or (ii) the Organizational Documents of any Loan Party, (c) will not violate or result in a default under any indenture, note, credit agreement or other similar instrument binding upon any Group Member or its Properties, or give rise to a right thereunder to require any payment to be made by any Group Member and (d) will not result in the creation or imposition of any Lien on any Property of any Group Member (other than the Liens created by the Loan Documents).

Section 7.04 Financial Condition; No Material Adverse Change.

(a) The Borrower has heretofore furnished to the Lenders its consolidated balance sheet and statements of income, stockholders equity and cash flows as of and for the fiscal year ended December 31, 2016, reported on by BDO USA, LLP independent public accountants. Such financial statement presents fairly, in all material respects, the financial position and results of operations and cash flows of the Borrower and its Consolidated Restricted Subsidiaries as of such dates and for such periods.

(b) The most recent financial statements furnished pursuant to Section 8.01(a) present fairly, in all material respects, the financial condition of Borrower and its Consolidated Restricted Subsidiaries on a consolidated basis, as of the dates and for the periods set forth above in accordance with GAAP, subject to year-end audit adjustments and the absence of footnotes in the case of the unaudited quarterly financial statements.

(c) Since the later of (i) the date hereof and (ii) date of the financial statements most recently delivered pursuant to Section 8.01(a), and after giving effect to the Transactions, there has been no event, development or circumstance that has had or could reasonably be expected to have a Material Adverse Effect.

(d) Neither the Borrower nor any other Group Member has on the date of this Agreement any Indebtedness (including Disqualified Capital Stock) or any contingent liabilities, off-balance sheet liabilities or partnerships, liabilities for taxes, or unusual forward or long-term commitments or unrealized or anticipated losses from any unfavorable commitments other than in respect of the Secured Obligations.

Section 7.05 Litigation.

(a) There are no actions, suits, investigations or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of the Borrower, threatened by, against or affecting any Group Member any of their respective properties or revenues that (i) are not fully covered by insurance (except for normal deductibles) as to which there is a reasonable possibility of an adverse determination that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect or (ii) involve any Loan Document or the Transactions.

Section 7.06 Environmental Matters. Except for such matters that, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect:

(a) the Group Members and any property with respect to which any Group Member has any interest or obligation are in compliance with all, and have not violated any, applicable Environmental Laws;

(b) (i) the Group Members and all relevant Persons for any property with respect to which any Group Member has any interest or obligation hold and are in compliance with all, and have not violated any, Environmental Permits required for their respective operations and each of their respective properties; (ii) all such Environmental Permits are in full force and effect; and (iii) no Group Member has received any notice or otherwise has knowledge that any such Environmental Permit may be revoked, adversely modified, or not renewed, or that any application for any Environmental Permit may be protested or denied or that the anticipated terms thereof may be adversely modified;

(c) (i) there are no actions, claims, demands, suits, investigations or proceedings under any Environmental Laws or regarding any Hazardous Materials that are pending or, to the Borrower's knowledge, threatened, against any Group Member or regarding any property with respect to which any Group Member has any interest or obligation, or as a result of any operations of any Group Member or any other Person regarding any property with respect to which any Group Member has any interest or obligation; and (ii) there are no consent decrees or other decrees, consent orders, administrative orders or other administrative, arbitral or judicial requirements outstanding under any Environmental Laws or regarding any Hazardous Materials, directed to any Group Member or as to which any Group Member is a party, or regarding any property with respect to which any Group Member has any interest or obligation;

(d) (i) there has been no Release or, to the Borrower's knowledge, threatened Release, of Hazardous Materials attributable to the operations of any Group Member at, on, under or from any Group Member's current or formerly owned, leased or operated property or at any other location (including, to the Borrower's knowledge, any location to which Hazardous Materials have been sent for re-use, recycling, treatment, storage or disposal) for which any Group Member could be liable, and (ii) Hazardous Materials are not otherwise present at any such properties or other locations, in either (i) or (ii) above, in amounts or concentrations or under conditions which constitute a violation of any applicable Environmental Law, could reasonably be expected to give rise to any liability, or, with respect to any Mortgaged Property, could reasonably be expected to impair its fair saleable value;

(e) no Group Member, nor to the Borrower's knowledge any other Person for any property with respect to which any Group Member has any interest or obligation, has received any written notice of violation, alleged violation, non-compliance, liability or potential liability or request for information regarding Environmental Laws or Hazardous Materials, and, to the Borrower's knowledge, there are no conditions or circumstances that would reasonably be expected to result in the receipt of any such notice or request for information;

(f) no Group Member has assumed or retained any liability under applicable Environmental Laws or regarding Hazardous Materials that could reasonably be expected to result in liability to any Group Member; and

(g) to the extent reasonably requested by the Administrative Agent, the Group Members have provided to Lenders complete and correct copies of all environmental site assessment reports, investigations, studies, analyses, and correspondence on environmental matters (including matters relating to any alleged non-compliance with or liability under Environmental Laws) that are in any Group Member's possession or control and relating to their respective Properties or operations thereon.

Section 7.07 Compliance with the Laws; No Defaults.

(a) Each Group Member is in compliance with all Governmental Requirements applicable to it or its Property and all agreements and other instruments binding upon it or its Property, and possesses all licenses, permits, franchises, exemptions, approvals and other governmental authorizations necessary for the ownership of its Property and the conduct of its business, except to the extent that any failure of the foregoing could not reasonably be expected to result in a Material Adverse Effect.

(b) No Default has occurred and is continuing.

Section 7.08 Investment Company Act. No Group Member is an "investment company" or a company "controlled" by an "investment company," within the meaning of, or subject to regulation under, the Investment Company Act of 1940, as amended.

Section 7.09 Taxes. Each Group Member has timely filed or caused to be filed all income and material other Tax returns and reports required to have been filed (taking into account any extension of time to file) and has paid or caused to be paid all material Taxes required to have been paid by it, except Taxes that are being contested in good faith by appropriate proceedings and for which the applicable Group Member has set aside on its books adequate reserves in accordance with GAAP. To the knowledge of Borrower, no material proposed tax assessment has been asserted with respect to any Group Member.

Section 7.10 ERISA. Except as could not, whether individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect:

(a) each Plan is, and has been, operated, administered and maintained in compliance with, and the Borrower and each ERISA Affiliate have complied with, ERISA, the terms of the applicable Plan and, where applicable, the Code;

(b) no act, omission or transaction has occurred which could result in imposition on any the Borrower or any ERISA Affiliate (whether directly or indirectly) of (i) either a civil penalty assessed pursuant to subsections (c), (i) or (l) of Section 502 of ERISA or a tax imposed pursuant to Chapter 43 of Subtitle D of the Code or (ii) breach of fiduciary duty liability damages under Section 409 of ERISA;

(c) no liability to the PBGC (other than required premiums payments which are not past due after giving effect to any applicable grace periods) by the Borrower or any ERISA Affiliate has been or is expected by any Group Member or any ERISA Affiliate to be incurred with respect to any Plan and no ERISA Event with respect to any Plan has occurred;

(d) the actuarial present value of the benefit liabilities under each Plan which is subject to Title IV of ERISA does not (determined as of the end of the most recent plan year) exceed the current value of the assets (computed on a plan termination basis in accordance with Title IV of ERISA) of such Plan allocable to such benefit liabilities. The term "actuarial present value of the benefit liabilities" shall have the meaning specified in Section 4041 of ERISA; and

(e) neither the Borrower nor any ERISA Affiliate sponsors, maintains or contributes to, or has at any time in the six-year period immediately preceding the date hereof sponsored, maintained or contributed to, or had any actual or contingent liability to any Multiemployer Plan.

Section 7.11 Disclosure; No Material Misstatements. None of the reports, financial statements, certificates or other information furnished by or on behalf of the Group Members to the Administrative Agent or any Lender or any of their Affiliates in connection with the negotiation of this Agreement or any other Loan Document or delivered hereunder or under any other Loan Document (as modified or supplemented by other information so furnished) contain any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, with respect to projected financial information, the Group Members represent only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time and it further being understood that projections concerning volumes attributable to the Oil and Gas Properties and production and cost estimates contained in each Reserve Report are necessarily based upon professional opinions, estimates and projections and the Group Members do not warrant that such opinions, estimates and projections will ultimately prove to have been accurate.

Section 7.12 Insurance. For the benefit of each Loan Parties, the Borrower has (a) all insurance policies sufficient for the compliance by the Loan Parties with all material Governmental Requirements and all material agreements and (b) insurance coverage, or self-insurance, in at least such amounts and against such risk (including public liability) that are usually insured against by companies similarly situated and engaged in the same or a similar business for the assets and operations of the Loan Parties. Schedule 7.12, as of the Seventh Amendment Effective Date, sets forth a list of all insurance maintained by the Borrower.

Section 7.13 Restriction on Liens. No Group Member is subject to any order, judgment, writ or decree, which either restricts or purports to restrict its ability to grant Liens to the Administrative Agent and the Lenders on or in respect of their Properties to secure the Secured Obligations and the Loan Documents.

Section 7.14 Group Members. There are no Group Members, except as set forth on Schedule 7.14 on the Seventh Amendment Effective Date or as disclosed in writing to the Administrative Agent (which shall promptly furnish a copy to the Lenders), which shall be a supplement to Schedule 7.14. Each Group Member's jurisdiction of organization, name as listed in the public records of its jurisdiction of organization, organizational identification number in its jurisdiction of organization, and the location of its principal place of business and chief executive office is stated on Schedule 7.14 (or as set forth in a notice delivered pursuant to Section 8.01(k)). No Group Member is a Foreign Group Member (other than any Foreign Group Member as of the Closing Date).

Section 7.15 Location of Business and Offices. The Borrower's jurisdiction of organization is Delaware; the name of the Borrower as listed in the public records of its jurisdiction of organization is SilverBow Resources, Inc.; and the organizational identification number of the Borrower in its jurisdiction of organization is set forth on Schedule 7.14 (or, in each case, as set forth in a notice delivered to the Administrative Agent pursuant to Section 8.01(k) in accordance with Section 12.01). The Borrower's principal place of business and chief executive offices are located at the address specified in Section 12.01 (or as set forth in a notice delivered pursuant to Section 8.01(k) and Section 12.01(c)).

Section 7.16 Properties; Title, Etc.

(a) Each Group Member has good and defensible title to the Oil and Gas Properties evaluated in the most recently delivered Reserve Report and good title to all its material personal Properties other than Properties sold, transferred or otherwise disposed of (i) on or prior to the Closing Date or (ii) after the Closing Date, in compliance with Section 9.11 from time to time, in each case, free and clear of all Liens except Liens permitted by Section 9.03. After giving full effect to the Excepted Liens and the dispositions referenced in the prior sentence, the Group Member specified as the owner owns the net interests in production attributable to the Hydrocarbon Interests as reflected in the most recently delivered Reserve Report, and except as otherwise provided by statute, regulation or the standard and customary provisions of any applicable joint operating agreement, the ownership of such Properties shall not in any material respect obligate the Group Member to bear the costs and expenses relating to the maintenance, development and operations of each such Property in an amount in excess of the working interest of each Property set forth in the most recently delivered Reserve Report that is not offset by a corresponding proportionate increase in the Group Member's net revenue interest in such Property.

(b) (i) All leases and agreements necessary for the conduct of the business of the Group Members are valid and subsisting, in full force and effect, and (ii) there exists no default or event or circumstance which with the giving of notice or the passage of time or both would give rise to a default under any such lease or leases, which, in the case of either (i) or (ii), could reasonably be expected to have a Material Adverse Effect.

(c) The rights and Properties presently owned, leased or licensed by the Group Members including all easements and rights of way, include all rights and Properties necessary to permit the Group Members to conduct their business in the same manner as its business is conducted on the date hereof except where the failure of the foregoing could not reasonably be expected to result in a Material Adverse Effect.

(d) Except for Properties being repaired, all of the Properties of the Group Members which are reasonably necessary for the operation of their businesses are in good working condition and are maintained in accordance with prudent business standards, except where the failure of the foregoing could not reasonably be expected to result in a Material Adverse Effect.

(e) Each Group Member owns, or is licensed to use, all trademarks, tradenames, copyrights, patents and other intellectual Property necessary to operate its business, and the use thereof by the Group Member does not infringe upon the rights of any other Person, except for any such infringements that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. The Group Members either own or have valid licenses or other rights to use all databases, geological data, geophysical data, engineering data, seismic data, maps, interpretations and other technical information used in their businesses as presently conducted, subject to the limitations contained in the agreements governing the use of the same, which limitations are customary for companies engaged in the business of the exploration and production of Hydrocarbons, with such exceptions as could not reasonably be expected to have a Material Adverse Effect.

Section 7.17 Maintenance of Properties. The Oil and Gas Properties (and Properties unitized therewith) of the Group Members have been maintained, operated and developed in a good and workmanlike manner and in conformity with all Governmental Requirements in all material respects and in conformity with the provisions of all leases, subleases or other contracts comprising a part of the Hydrocarbon Interests and other contracts and agreements forming a part of the Oil and Gas Properties of the Group Members in all material respects. All pipelines, wells, gas processing plants, platforms and other material improvements, fixtures and equipment owned in whole or in part by the Group Members that are necessary to conduct normal operations are being maintained in a state adequate to conduct normal operations, and with respect to such of the foregoing which are operated by the Group Members, in a manner consistent with the Group Members' past practices (other than those the failure of which to maintain in accordance with this Section 7.17 could not reasonably be expected to have a Material Adverse Effect).

Section 7.18 Gas Imbalances. Except as set forth on Schedule 7.18 on the Seventh Amendment Effective Date or on the most recent certificate delivered pursuant to Section 8.11(c), on a net basis there are no gas imbalances, take or pay or other prepayments which would require any Group Member to deliver Hydrocarbons produced from their Oil and Gas Properties at some future time without then or thereafter receiving full payment therefor exceeding one percent (1.0%) of the aggregate volumes of Hydrocarbons (on an Mcf equivalent basis) listed in the most recent Reserve Report.

Section 7.19 Marketing of Production. Except for contracts listed and in effect on the Seventh Amendment Effective Date on Schedule 7.19, and thereafter either disclosed in writing to the Administrative Agent or included in the most recently delivered Reserve Report, (a) the Group Members are receiving a price for all production sold thereunder which is computed substantially in accordance with the terms of the relevant contract and are not having deliveries curtailed substantially below the subject Property's delivery capacity and (b) no material agreements exist which are not cancelable on 60 days' notice or less without penalty or detriment for the sale of production from the Group Members' Hydrocarbons (including calls on or other rights to purchase, production, whether or not the same are currently being exercised) that (i) pertain to the sale of production at a fixed price and (ii) have a maturity or expiry date of longer than six (6) months from the date of such agreement.

Section 7.20 Security Documents. The Security Instruments are effective to create in favor of the Administrative Agent, for the benefit of the Lenders, a legal, valid and enforceable security interest in the Mortgaged Property and Collateral and proceeds thereof. The Secured Obligations are and have been at all times secured by a legal, valid and enforceability first priority perfected Liens in favor of the Administrative Agent, covering and encumbering (a) at least 85%, or, on and after the Seventh Amendment Effective Date, 90% of the PV-9 of the Borrowing Base Properties, (b) the Collateral granted pursuant to the Guarantee and Collateral Agreement, including the pledged Equity Interests and the Deposit Accounts and Securities Accounts, in each case to the extent perfection has occurred, as the case may be, by the recording of a mortgage, the filing of a UCC financing statement, or, in the case of Deposit Accounts and Securities Accounts, by obtaining of "control" or, with respect to Equity Interests represented by certificates, by possession (in each case, to the extent available in the applicable jurisdiction); provided that, except in the case of pledged Equity Interests, Liens permitted by Section 9.03 may exist.

Section 7.21 Swap Agreements. Schedule 7.21, as of the Seventh Amendment Effective Date, and after the Seventh Amendment Effective Date, each report required to be delivered by the Borrower pursuant to Section 8.01(d), as of the last Business Day of the period covered by such report, sets forth, a true and complete list of all Swap Agreements of the Group Members, the material terms thereof (including the type, term, effective date, termination date and notional amounts or volumes), the net mark to market value thereof, all credit support agreements relating thereto (including any margin required or supplied, but excluding the Security Instruments) and the counterparty to each such agreement.

Section 7.22 Use of Loans and Letters of Credit. The proceeds of the Loans and the Letters of Credit shall be used to (a) refinance the Existing Credit Agreement and (b) provide working capital for lease acquisitions, for exploration and production operations, for development (including the drilling and completion of producing wells), for acquisitions of Oil and Gas Properties permitted hereunder and for other general corporate purposes of the Borrower and its Subsidiaries. No Group Member is engaged principally, or as one of its or their important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate, of buying or carrying margin stock (within the meaning of Regulation T, U or X of the Board). No part of the proceeds of any Loan or Letter of Credit will be used for any purpose which violates the provisions of Regulations T, U or X of the Board.

Section 7.23 Solvency. After giving effect to the Transactions and the other transactions contemplated hereby and thereby (including at the time of and immediately after giving effect to any Borrowing or the issuance, amendment, renewal or extension of any Letter of Credit, as applicable) (a) the sum of the debt and liabilities (including subordinated and contingent liabilities) of the Borrower and its Subsidiaries, taken as a whole, does not exceed the fair value of the present assets of the Borrower and its Subsidiaries, taken as a whole, (b) the present fair saleable value of the assets of the Borrower and its Subsidiaries, taken as a whole, is greater than the total amount that will be required to pay the probable debt and liabilities (including subordinated and contingent liabilities) of the Borrower and its Subsidiaries as they become absolute and matured, (c) the Borrower and its Subsidiaries, taken as a whole, have not incurred, or believe that they will incur, debts or other liabilities including current obligations beyond their ability to pay such debt as they mature in the ordinary course of business and (d) the capital of the Borrower and its Subsidiaries, taken as a whole, is not unreasonably small to engage in the business of the Borrower and its Subsidiaries, taken as a whole. For the purpose of this Section 7.24, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

Section 7.24 Foreign Corrupt Practices. Neither the Borrower nor any of its Subsidiaries, nor any director, officer, employee or Affiliate of the Borrower or any of its Subsidiaries, nor to the knowledge of the Borrower, any agent of the Borrower or any of its Subsidiaries that will act in any capacity in connection with or benefit from the credit facility established hereby, is aware of or has taken any action, directly or indirectly, that would result in a material violation by such Persons of the FCPA, including without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA; and, the Borrower, its Subsidiaries and its and their Affiliates have conducted their business in material compliance with the FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

Section 7.25 Anti-Corruption Laws; Sanctions; OFAC.

(a) The Borrower has implemented and maintains in effect policies and procedures designed to ensure compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with applicable Anti-Corruption Laws and applicable Sanctions.

(b) The Borrower, its Subsidiaries, their respective officers and employees and, to the knowledge of the Borrower, its directors and agents are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects and are not knowingly engaged in any activity that would reasonably be expected to result in any Group Member being designated as a Sanctioned Person.

(c) None of (i) the Borrower, any Subsidiary or any of their respective directors, officers or employees, or (ii) to the knowledge of the Borrower, any agent of the Borrower that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. The Borrower will not directly or, to its knowledge, indirectly use the proceeds from the Loans or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person, for the purpose of financing the activities of any Person currently subject to any applicable Sanctions.

Section 7.26 Senior Debt Status. The Secured Obligations constitute "Senior Indebtedness", "Designated Senior Indebtedness" or any similar designation under and as defined in any agreement governing any senior subordinated or subordinated Indebtedness and the subordination provisions set forth in each such agreement are legally valid and enforceable against the parties thereto.

Section 7.27 EEA Financial Institution. No Loan Party is an EEA Financial Institution.

Section 7.28 Beneficial Ownership. As of the Seventh Amendment Effective Date, to the best knowledge of the Borrower, the information included in the Beneficial Ownership Certification provided on or prior to the Seventh Amendment Effective Date to any Lender in connection with this Agreement is true and correct in all material respects.

ARTICLE VIII
AFFIRMATIVE COVENANTS

Until Payment in Full, the Borrower covenants and agrees with the Lenders that:

Section 8.01 Financial Statements; Other Information. The Borrower will furnish to the Administrative Agent for delivery to each Lender:

(a) Annual Financial Statements. As soon as available, but in any event in accordance with then applicable law and not later than 90 days after the end of each Fiscal Year of the Borrower, its (i) audited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such year, setting forth in each case in comparative form the figures for the previous Fiscal Year of the Borrower, all reported on by an independent public accountant reasonably acceptable to the Administrative Agent (without a "going concern" or like qualification or exception and without any qualification or exception as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of the Borrower and its Consolidated Subsidiaries on a consolidated basis and the other Group Members (as applicable), on a consolidated basis, in each case, in accordance with GAAP consistently applied and (ii) its unaudited balance sheet, income statement and related statement of cash flows as of the end of and for the Fiscal Year most recently ended which provides consolidating statements, including statements demonstrating eliminating entries, if any, with respect to any Unrestricted Subsidiaries, in such form as would be presentable to the auditors of the Borrower.

(b) Quarterly Financial Statements. As soon as available, but in any event in accordance with then applicable law and not later than 45 days after the end of each of the first three Fiscal Quarters of each Fiscal Year of the Borrower, its (i) consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such Fiscal Quarter and the then elapsed portion of such Fiscal Year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous Fiscal Year, all certified by one of its Financial Officers as presenting fairly in all material respects the financial condition and results of operations of the Borrower and its Consolidated Restricted Subsidiaries on a consolidated basis and the other Group Members (as applicable), on a consolidated basis, in each case, in accordance with GAAP consistently applied, subject to normal year-end audit adjustments and the absence of footnotes and (ii) its unaudited balance sheet, income statement and related statement of cash flows as of the end of and for the Fiscal Quarter most recently ended which provides consolidating statements, including statements demonstrating eliminating entries, if any, with respect to any Unrestricted Subsidiaries, in such form as would be presentable to the auditors of the Borrower.

The Borrower represents and warrants that the Borrower and each of its Subsidiaries file their financial statements with the SEC and/or make financial statements available to potential holders of their 144A securities, and, accordingly, the Borrower hereby (1) authorizes the Administrative Agent to make the financial statements to be provided under Section 8.01(a) and Section 8.01(b), along with the Loan Documents, available to Public-Siders and (2) agrees that at the time such financial statements are provided hereunder, they shall already have been made available to holders of its securities. The Borrower will not request that any other material be posted to Public-Siders without expressly representing and warranting to the Administrative Agent in writing that (x) such materials do not constitute material non-public information within the meaning of the federal securities laws or (y) make such materials that do constitute material non-public information within the meaning of the federal securities laws publicly available by press release or public filing with the SEC.

(c) Certificate of Financial Officer - Compliance. Concurrently with any delivery of financial statements under Section 8.01(a) or Section 8.01(b), a Compliance Certificate (i) certifying as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (ii) certifying that (A) the Borrower has been in compliance with Section 9.01 at such times as required therein and, for the Fiscal Quarter of the Borrower ending March 31, 2017, in compliance with Section 9.01 under the Existing Credit Agreement as of the last day of such Fiscal Quarter and (B) in connection therewith, setting forth reasonably detailed calculations demonstrating such compliance, (iii) stating whether any change in GAAP or in the application thereof has occurred since the date of the most recently delivered financial statements referred to in Section 8.01(a) and Section 8.01(b) and, if any such change has occurred, specifying the effect of such change on the financial statements accompanying such certificate and (iv) stating whether there are any Subsidiaries which are to become Loan Parties in order to comply with Section 8.13 and, if any such Subsidiaries exist, specifying the actions proposed to be taken in connection therewith.

(d) Certificate of Financial Officer – Swap Agreements. Concurrently with any delivery of financial statements pursuant to Section 8.01(a) and Section 8.01(b), a certificate of a Financial Officer, in form and substance reasonably satisfactory to the Administrative Agent, setting forth as of the last Business Day of such Fiscal Quarter or Fiscal Year, a true and complete list of all Swap Agreements of the Borrower and each Group Member, the material terms thereof (including the type, term, effective date, termination date and notional amounts or volumes), the net mark-to-market value therefor (as of the last Business Day of such Fiscal Quarter or Fiscal Year), any new credit support agreements relating thereto not listed on Schedule 7.21, any margin required or supplied under any credit support document and the counterparty to each such agreement and demonstrating compliance with Section 8.19.

(e) Production Report and Lease Operating Statements. Within 60 days after the end of each Fiscal Quarter, a report setting forth, for each calendar month during the then current Fiscal Year to date, the volume of total production and sales attributable to production (and the prices at which such sales were made and the revenues derived from such sales) for each such calendar month from the Oil and Gas Properties of the Group Members, and setting forth the related ad valorem, severance and production taxes and lease operating expenses attributable thereto and incurred for each such calendar month.

(f) Certificate of Insurer - Insurance Coverage. Within five (5) Business Days following each material change in the insurance maintained in accordance with Section 8.06, certificates of insurance coverage with respect to the insurance required by Section 8.06, in form and substance satisfactory to the Administrative Agent, and, if reasonably requested by the Administrative Agent or any Lender, all copies of the applicable policies.

(g) SEC and Other Filings; Reports to Shareholders. Promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by any Group Member with the SEC or with any national securities exchange.

(h) Notices Under Material Instruments. Concurrently with the furnishing thereof, copies of any financial statement, report or notice (including any notice of default) furnished to or by any Person pursuant to the terms of any preferred stock designation, indenture, loan or credit or other similar agreement evidencing Material Indebtedness (other than this Agreement) that has not been previously furnished to the Lenders pursuant to any other provision of this Section 8.01.

(i) Lists of Purchasers. Concurrently with the delivery of any Reserve Report to the Administrative Agent pursuant to Section 8.11 (commencing with the Reserve Report as of June 30, 2017), a list of all Persons purchasing Hydrocarbons in excess of $1,000,000 from any Group Member (or, with respect to Oil and Gas Properties that are not operated by a Group Member, a list of the operators of such properties) during the two Fiscal Quarters ending as the date of such Reserve Report.

(j) Issuances and Incurrences of Debt. Two (2) Business Days prior written notice of the incurrence by any Group Member of any Permitted Unsecured Debt, Permitted Second Lien Debt, Permitted Refinancing Indebtedness or, if in excess of $10,000,000, any other Indebtedness as well as the amount thereof, the anticipated closing date and definitive documentation for the foregoing and any other related information reasonably requested.

(k) Information Regarding Borrower and Guarantors. Prompt written notice of (and in any event within five (5) Business Days prior thereto or such other time as the Administrative Agent may agree in its sole discretion) any change (i) in a Loan Party's corporate name or in any trade name used to identify such Person in the conduct of its business or in the ownership of its Properties, (ii) in the location of the Loan Party's chief executive office or principal place of business, (iii) in the Loan Party's identity or corporate structure or in the jurisdiction in which such Person is incorporated or formed, (iv) in the Loan Party's jurisdiction of organization, and (v) in the Loan Party's federal taxpayer identification number.

(l) Patriot Act. Promptly upon request, all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act, and the Beneficial Ownership Regulation.

(m) Annual Budget and Projections. (i) Prior to or concurrently with the delivery of each December 31 Reserve Report hereunder (commencing with the Reserve Report as of December 31, 2020), a certificate of a Financial Officer, in form and substance satisfactory to the Administrative Agent, setting forth an annual business plan, (ii) prior to or concurrently with the delivery of each Reserve Report as of June 30th, an operating budget of the Group Members for the immediately succeeding Fiscal Year (on a Fiscal Quarter basis) and (iii) prior to or concurrently with the delivery of each December 31 Reserve Report an updated operating budget of the Group Members for such Fiscal Year (on a Fiscal Quarter basis). By way of illustration, (A) prior to or concurrently with the delivery of the Reserve Report as of June 30th on or before October 1, 2021, the Borrower shall have delivered an operating budget of the Group Members for the Fiscal Year ending December 31, 2022 (on a Fiscal Quarter basis) and (B) prior to or concurrently with the delivery of the December 31 Reserve Report on or before April 1, 2022, the Borrower shall have delivered an updated operating budget of the Group Members for the Fiscal Year ending December 31, 2022 (on a Fiscal Quarter basis).

(n) Notices Related to Oil and Gas Properties and Swap Agreements.

(i) Notice of Sales of Oil and Gas Properties and Unwinds of Swap Agreements. In the event the Borrower or any other Group Member intends to (A) sell, transfer, assign or otherwise dispose of any Oil and Gas Properties constituting Proved Reserves (or any Equity Interests of any Group Member that owns Oil and Gas Properties constituting Proved Reserves) and/or (B) Unwind Swap Agreements, prior written notice of the foregoing (of at least five (5) Business Days or such shorter time as the Administrative Agent may agree), the price thereof, in the case of Oil and Gas Properties constituting Proved Reserves (or any Equity Interests of any Group Member that owns Oil and Gas Properties constituting Proved Reserves), and, in each case, the anticipated decline in the mark-to-market value thereof or net cash proceeds therefrom, in the case of Swap Agreements, and, in each case, the anticipated date of closing and any other details thereof reasonably requested by the Administrative Agent or any Lender (including any definitive documentation).

(ii) Notices of Acquisitions of Oil and Gas Properties. Promptly, but in any event within five (5) Business Days, written notice of any acquisition of Oil and Gas Properties by the Group Members in one or a series of related transaction having a Fair Market Value in excess of $5,000,000 or where the consideration paid exceeded $5,000,000.

(iii) Notice of Casualty Events. Promptly, but in any event within five (5) Business Days, written notice of the occurrence of any Casualty Event or the commencement of any action or proceeding that could reasonably be expected to result in a Casualty Event, in each case, of any Property of any Group Member having a Fair Market Value in excess of $2,500,000.

(o) Notices of Certain Changes. Promptly, but in any event within five (5) Business Days after the execution thereof, copies of any amendment, modification or supplement to the certificate or articles of incorporation, by-laws, any preferred stock designation or any other Organizational Document of the Borrower or any Group Member.

(p) Take-or-Pay, Ship-or-Pay or Other Prepayments. Concurrently with the delivery of any Reserve Report to the Administrative Agent pursuant to Section 8.11 (commencing with the Reserve Report as of June 30, 2017), written notice of the occurrence of the Borrower or any other Group Member entering into a take-or-pay, ship-or-pay or other prepayments arrangement with respect to the Oil and Gas Properties of the Borrower or any other Group Member.

(q) Other Requested Information. Promptly, but in any event within five (5) Business Days following any request therefor, such other information regarding the operations, business affairs and financial condition of the Borrower or any Subsidiary (including any Plan or Multiemployer Plan to which any Group Member or any of their respective ERISA Affiliates contributes or has an obligation to contribute and any reports or other information, in either case with respect thereto, required to be filed under ERISA), or compliance with the terms of this Agreement or any other Loan Document, as the Administrative Agent or any Lender may reasonably request in writing.

Documents required to be delivered pursuant to this Section 8.01 may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which a Group Member posts such documents to its publicly-accessible website or to EDGAR (or such other publicly-accessible internet database that may be established and maintained by the SEC as a substitute for or successor to EDGAR) or (ii) on which such documents are posted on the Borrower's behalf on IntraLinks/IntraAgency or another relevant website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided that the Borrower shall notify (which may be by facsimile or electronic mail) the Administrative Agent of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions of any such documents.

Section 8.02 Notices of Material Events. Within three (3) Business Days, the Borrower will furnish to the Administrative Agent written notice of the following:

(a) Defaults. The occurrence of any Default or Event of Default;

(b) Governmental Matters. The filing or commencement of, or the threat in writing of, any action, suit, proceeding, investigation or arbitration by or before any arbitrator or Governmental Authority against or affecting Group Members thereof not previously disclosed in writing to the Lenders or any material adverse development in any action, suit, proceeding, investigation or arbitration (whether or not previously disclosed to the Lenders) that, in either case, if adversely determined, could reasonably be expected to result in a Material Adverse Effect;

(c) ERISA Events. The occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, could reasonably be expected to result in liability of the Borrower or any Group Member in an aggregate amount exceeding $2,500,000;

(d) Material Adverse Effect and Borrowing Base Adjustments. Any other development that results in, or could reasonably be expected to result in either (i) a Material Adverse Effect or (ii) an adjustment to the Borrowing Base pursuant to any Borrowing Base Adjustment Provision; and

(e) Beneficial Ownership Change. Any change in the information provided in the Beneficial Ownership Certification delivered to such Lender that would result in a change to the list of beneficial owners identified in such certification.

Each notice delivered under this Section 8.02 shall be accompanied by a statement of a Responsible Officer setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

Section 8.03 Existence; Conduct of Business. The Borrower will, and will cause each Group Member to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and the rights, licenses, permits, privileges and franchises necessary to the conduct of its business and maintain, if necessary, its qualification to do business in each other material jurisdiction in which its Oil and Gas Properties is located or the ownership of its Properties requires such qualification, except to the extent that the failure to be so qualified could not reasonably be expected to cause a Material Adverse Effect; provided that the foregoing shall not prohibit any merger, consolidation, liquidation or dissolution permitted under Section 9.10.

Section 8.04 Payment of Obligations. The Borrower will, and will cause each other Group Member to, pay its material obligations (other than Material Indebtedness), including tax liabilities of the Borrower and all of the other Group Members before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings and (b) the Borrower or such other Group Member has set aside on its books adequate reserves with respect thereto in accordance with GAAP.

Section 8.05 Operation and Maintenance of Properties. The Borrower, at its own expense, will, and will cause each other Group Member to:

(a) operate its Oil and Gas Properties (i) in accordance with the customary practices of the industry and (ii) in compliance with all applicable contracts and agreements and in compliance with all applicable Governmental Requirements, in the case of clauses (i) and (ii) above, in all material respects, including applicable pro ration requirements and applicable Environmental Laws, and all applicable laws, rules and regulations of every other Governmental Authority from time to time constituted to regulate the development and operation of its Oil and Gas Properties and the production and sale of Hydrocarbons and other minerals therefrom in all material respects;

(b) keep and maintain all Property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, in accordance with the standard of a prudent operator;

(c) promptly pay and discharge, or make reasonable and customary efforts to cause to be paid and discharged, all material delay rentals, royalties, expenses and indebtedness accruing under the leases or other agreements affecting or pertaining to its Oil and Gas Properties and will do all other things necessary, in accordance with industry standards, to keep unimpaired their rights with respect thereto and prevent any forfeiture thereof or default thereunder, in each case, in all material respects;

(d) promptly perform or make reasonable and customary efforts to cause to be performed, in accordance with customary industry standards, the obligations required by each and all of the assignments, deeds, leases, sub-leases, contracts and agreements affecting its interests in its Oil and Gas Properties and other material Properties, in each case, in all material respects; and

(e) to the extent the Borrower is not the operator of any Property, the Borrower shall use reasonable efforts to cause the operator to comply with this Section 8.05.

Section 8.06 Insurance. The Borrower will maintain, with financially sound and reputable insurance companies, insurance covering all Group Members, in such amounts and against such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations. The loss payable clauses or provisions in the applicable insurance policy or policies insuring the Group Members or their Property shall be endorsed in favor of and made payable to the Administrative Agent as sole "loss payee" or other formulation reasonably acceptable to the Administrative Agent and such liability policies shall name the Administrative Agent and the Lenders as "additional insureds" and provide that the insurer will endeavor to give at least 30 days prior notice of any cancellation to the Administrative Agent.

Section 8.07 Books and Records; Inspection Rights. The Borrower will, and will cause each other Group Member to, keep proper books of record and account in which full, true and correct entries in conformity with GAAP, prudent accounting practice and all Governmental Requirements shall be made of all dealings and transactions in relation to its business and activities. The Borrower will, and will cause each other Group Member to, permit any representatives designated by the Administrative Agent or any Lender, upon reasonable prior written notice, to visit and inspect its Properties, to examine and make extracts from its books and records, and to discuss its affairs, finances and condition with its officers and independent accountants, all at such reasonable times during normal business hours and as often as reasonably requested.

Section 8.08 Compliance with Laws. The Borrower will, and will cause each Group Member to, comply with all laws, rules, regulations and orders of any Governmental Authority applicable to it or its Property in all material respects. The Borrower will maintain in effect and enforce policies and procedures designed to ensure compliance by the Group Members and their respective directors, officers, employees and agents with applicable Anti-Corruption Laws and applicable Sanctions.

Section 8.09 Environmental Matters.

(a) The Borrower will, and will cause each Group Member to; (i) comply with all applicable Environmental Laws, and undertake reasonable efforts to ensure that all tenants and subtenants (if any), and all Persons with whom any Group Member has contracted for the exploration, development, production, operation, or other management of an oil or gas well or lease, comply with all applicable Environmental Laws; and (ii) generate, use, treat, store, release, transport, dispose of, and otherwise manage all Hazardous Materials in a manner that could not reasonably be expected to result in any liability to any Group Member or to adversely affect any real property owned, leased or operated by any of them, and take reasonable efforts to prevent any other Person from generating, using, treating, storing, releasing, transporting, disposing of, or otherwise managing Hazardous Materials in a manner that could reasonably be expected to result in a liability to any Group Member, or with respect to any Mortgaged Property, could reasonably be expected to adversely affect its fair saleable value (for the avoidance of doubt, with respect to activities on properties neighboring such real property, such reasonable efforts shall not include any obligation to monitor such activities or properties); it being understood that this clause (a) shall be deemed not breached by a noncompliance with any of the foregoing (i) or (ii) if, upon learning of such noncompliance or any condition that results from such noncompliance, any affected Group Member promptly develops and diligently implements a response to such noncompliance and any such condition that is consistent with principles of prudent environmental management and all applicable Environmental Laws, and provided that such response and condition, in the aggregate with any other such responses and conditions, could not reasonably be expected to have a Material Adverse Effect.

(b) The Borrower will promptly, but in no event later than five (5) days after learning of any action, investigation, demand or inquiry contemplated by this Section 8.09(b), notify the Administrative Agent and the Lenders in writing of any action, investigation, demand, or inquiry by any Person threatened in writing or commenced against the Borrower or any Group Member, or any of their property or any property with respect to which a Group Member has any interest or obligation, in connection with any applicable Environmental Laws or regarding any Hazardous Materials (excluding routine testing and corrective action), unless the Borrower reasonably determines, based on the information reasonably available to it at the time, that such action, investigation, demand or inquiry is unlikely to result in costs and liabilities in excess of $2,500,000 (it being understood that the amount will be determined in the aggregate with the costs and liabilities of all related similar actions, investigations, demands or inquiries) and in any case could not reasonably be expected to have a Material Adverse Effect (it being understood that the Borrower shall be deemed to have given notice under this Section 8.09(b) regarding the matters set forth on Schedule 8.09(b) to this Agreement as of the Seventh Amendment Effective Date to the extent such matters are described thereon).

(c) If an Event of Default has occurred or is reasonably anticipated, or if any event or circumstance has occurred or is reasonably suspected that could reasonably be expected to result in a material diminution in the value of any of the Mortgaged Properties, the Administrative Agent may (but shall not be obligated to), at the expense of the Borrower (such expenses to be reasonable in light of the circumstances), conduct such investigation as it reasonably deems appropriate to determine the nature and extent of any noncompliance with applicable Environmental Laws, the nature and extent of the presence of any Hazardous Material and the nature and extent of any other environmental conditions that may exist at or affect any of the Mortgaged Properties, and the Loan Parties and each relevant Group Member shall reasonably cooperate with the Administrative Agent in conducting such investigation and in implementing any response to such noncompliance, Hazardous Material or other environmental condition as the Administrative Agent reasonably deems appropriate. Such investigation and response may include, without limitation, a detailed visual inspection of the Mortgaged Properties, including all storage areas, storage tanks, drains and dry wells and other structures and locations, as well as the taking of soil samples, surface water samples, and ground water samples and such other investigations or analyses as the Administrative Agent deems appropriate, and any containment, cleanup, removal, repair, restoration, remediation or other remedial work. Upon reasonable request and notice, the Administrative Agent and its officers, employees, agents and contractors shall have and are hereby granted the right to enter upon the Mortgaged Properties for the foregoing purposes.

Section 8.10 Further Assurances.

(a) The Borrower at its sole expense will, and will cause each other Group Member to, promptly execute and deliver to the Administrative Agent all such other documents, agreements and instruments reasonably requested by the Administrative Agent to (i) further evidence and more fully describe the collateral intended as security for the Secured Obligations, (ii) correct any omissions in this Agreement or the Security Instruments, (iii) state more fully the obligations secured therein, (iv) perfect, protect or preserve any Liens created pursuant to this Agreement or any of the Security Instruments or the priority thereof, or (v) make any recordings, file any notices or obtain any consents, all as may be reasonably necessary or appropriate, in the reasonable discretion of the Administrative Agent to ensure that the Administrative Agent, on behalf of the Secured Parties, has a perfected security interest in all assets of the Loan Parties. In addition, at the Administrative Agent's request, the Borrower, at its sole expense, shall provide any information requested to identify any Collateral, including an updated Perfection Certificate, a customary "lease to well" reconciliation schedule, list or similar item, exhibits to Mortgages in form and substance reasonably satisfactory to the Administrative Agent (which such exhibits shall be in recordable form for the applicable jurisdiction) or any other information requested in connection with the identification of any Collateral.

(b) The Borrower hereby authorizes the Administrative Agent to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Mortgaged Property without the signature of the Borrower or any other Loan Party where permitted by law, which financing statements may contain a description of collateral that describes such property in any manner as the Administrative Agent may reasonably determine is necessary or advisable to ensure the perfection of the security interest in the Collateral consistent with the terms of the Loan Documents, including describing such property as "all assets" or "all property" or words of similar effect. A carbon, photographic or other reproduction of the Security Instruments or any financing statement covering the Mortgaged Property or any part thereof shall be sufficient as a financing statement where permitted by law.

Section 8.11 Reserve Reports.

(a) On or before April 1st and October 1st of each year, the Borrower shall furnish to the Administrative Agent and the Lenders a Reserve Report evaluating the Oil and Gas Properties of the Borrower and its Subsidiaries as of the immediately preceding December 31st and June 30th, as applicable. The Reserve Report as of December 31st of 2016 which shall be delivered on or before April 1st of 2017, shall be prepared by or under the supervision of the chief engineer of the Borrower in accordance with the Borrower's past practices and shall be audited by one or more Approved Petroleum Engineers. Thereafter, (i) each Reserve Report as of December 31st and delivered on or before April 1st of each year (the "December 31 Reserve Report"), shall be prepared by one or more Approved Petroleum Engineers, and (ii) each Reserve Report as of June 30th delivered on or before October 1st of each year shall be prepared by one or more Approved Petroleum Engineers or internally under the supervision of the chief engineer of the Borrower who shall certify such Reserve Report to be true and accurate in all material respects and to have been prepared in accordance with the procedures used in the immediately preceding December 31 Reserve Report.

(b) In the event of a request for an Interim Redetermination pursuant to Section 2.07(b), the Borrower shall furnish to the Administrative Agent and the Lenders a Reserve Report prepared by or under the supervision of the chief engineer of the Borrower who shall certify such Reserve Report to be true and accurate in all material respects and to have been prepared in accordance with the procedures used in the immediately preceding December 31 Reserve Report with an "as of" date as required by the Administrative Agent as soon as commercially reasonable, but in any event no later than thirty (30) days following the receipt of such request; provided that at any time prior to delivery of such Reserve Report the Administrative Agent may, or at the direction of the Required Lenders shall, elect to use the most recently delivered Reserve Report, which such Reserve Report may be rolled forward in a customary manner.

(c) With the delivery of each Reserve Report, the Borrower shall provide to the Administrative Agent and the Lenders a Reserve Report Certificate substantially in the form of Exhibit I from a Responsible Officer certifying that in all material respects: (i) the information contained in the Reserve Report and any other information delivered in connection therewith is true and correct, (ii) except as set forth on an exhibit to the certificate, the Borrower or the other Loan Parties own good and defensible title to the Oil and Gas Properties evaluated in such Reserve Report and such Oil and Gas Properties are free of all Liens except for Liens permitted by Section 9.03, (iii) except as set forth on an exhibit to the certificate, (A) on a net basis there are no gas imbalances, take or pay or other prepayments in excess of the volume specified in Section 7.18 with respect to the Oil and Gas Properties evaluated in such Reserve Report which would require the Borrower or any other Group Member to deliver Hydrocarbons either generally or produced from such Oil and Gas Properties at some future time without then or thereafter receiving full payment therefor and (B) there are no take-or-pay or ship-or-pay contracts that have not been disclosed in a previous Reserve Report Certificate, (iv) none of their Oil and Gas Properties have been sold (other than Hydrocarbons sold in the ordinary course of business) since the date of the last Borrowing Base determination except as set forth on an exhibit to the certificate, which exhibit shall list all of its Oil and Gas Properties sold (other than Hydrocarbons sold in the ordinary course of business) and in such detail as reasonably required by the Administrative Agent, (v) attached to the certificate is a list of all marketing agreements entered into by a Group Member subsequent to the later of the date hereof or the most recently delivered Reserve Report which the Borrower could reasonably be expected to have been obligated to list on Schedule 7.19 had such agreement been in effect on the Seventh Amendment Effective Date and (vi) attached thereto is a schedule of the Oil and Gas Properties evaluated by such Reserve Report that are Mortgaged Properties and demonstrating the percentage of the PV-9 of the Oil and Gas Properties that the value of such Mortgaged Properties represent and that such percentage is in compliance with Section 8.13(a) (the certificate described herein, the "Reserve Report Certificate"). For the avoidance of doubt, the requirement to provide a Reserve Report Certificate shall require the delivery of such Reserve Report Certificate at the time each Reserve Report is delivered.

Section 8.12 Title Information.

(a) On or before the delivery to the Administrative Agent and the Lenders of each Reserve Report required by Section 8.11(a), the Borrower shall deliver title information in form and substance acceptable to the Administrative Agent covering enough of the Borrowing Base Properties evaluated by such Reserve Report that were not included in the immediately preceding Reserve Report, so that the Administrative Agent shall have received reasonably satisfactory title information on Hydrocarbon Interests constituting at least 85% or, on and after the Seventh Amendment Effective Date, 90% of the PV-9 of the Borrowing Base Properties evaluated by such Reserve Report as determined by the Administrative Agent.

(b) If the Borrower has provided title information for additional Properties under Section 8.12(a), the Borrower shall, within 60 days of notice from the Administrative Agent that title defects or exceptions exist with respect to such additional Properties (or such longer period as the Administrative Agent may approve in its sole discretion), either (i) cure any such title defects or exceptions (including defects or exceptions as to priority) which are not permitted by Section 9.03 raised by such information, (ii) substitute acceptable Mortgaged Properties with no title defects or exceptions except for Liens permitted by Section 9.03 having an equivalent or greater value or (iii) deliver title information in form and substance acceptable to the Administrative Agent so that the Administrative Agent shall have received, together with title information previously delivered to the Administrative Agent, satisfactory title information on Hydrocarbon Interests constituting at least 85%, or, on and after the Seventh Amendment Effective Date, 90% of the PV-9 of the Borrowing Base Properties evaluated by such Reserve Report as determined by the Administrative Agent.

(c) If the Borrower is unable to cure any title defect reasonably requested by the Administrative Agent or the Lenders to be cured within the 60-day period or the Borrower does not comply with the requirements to provide acceptable title information covering 85% or, on and after the Seventh Amendment Effective Date, 90% of the PV-9 of the Borrowing Base Properties evaluated in the most recent Reserve Report as determined by the Administrative Agent, such failure shall not be a Default, but instead the Administrative Agent and/or the Required Lenders shall each have the right to exercise the following remedy in their sole discretion from time to time, and any failure to so exercise this remedy at any time shall not be a waiver as to future exercise of the remedy by the Administrative Agent or the Lenders. To the extent that the Administrative Agent or the Required Lenders are not reasonably satisfied with title to any Mortgaged Property after the 60-day period has elapsed, such unacceptable Mortgaged Property shall not count towards the 85% or 90% requirement, as applicable, and the Administrative Agent may send a notice to the Borrower and the Lenders that the then outstanding Borrowing Base shall be reduced by an amount as determined by the Required Lenders to cause the Borrower to be in compliance with the requirement to provide acceptable title information covering 85% or, on and after the Seventh Amendment Effective Date, 90% of the PV-9 of the Borrowing Base Properties evaluated by such Reserve Report. This new Borrowing Base shall become effective immediately after receipt of such notice.

Section 8.13 Additional Collateral; Additional Guarantors.

(a) In connection with each redetermination of the Borrowing Base (including, for avoidance of doubt, any Interim Redetermination), the Borrower shall review the Reserve Report and the list of current Mortgaged Properties (as described in Section 8.11(c)(vi)) to ascertain whether the Mortgaged Properties represent at least 85% or, on and after the Seventh Amendment Effective Date, 90% of the PV-9 of the Borrowing Base Properties evaluated in the most recently completed Reserve Report after giving effect to exploration and production activities, acquisitions, Dispositions and production. In the event that the Mortgaged Properties do not represent at least 85% or, on and after the Seventh Amendment Effective Date, 90% of such PV-9 value, then the Borrower shall, and shall cause the other Loan Parties to, grant, within thirty (30) days of delivery of the Reserve Report Certificate required under Section 8.11(c), to the Administrative Agent as security for the Secured Obligations a first-priority Lien interest (provided that Excepted Liens of the type described in clauses (a) to (d) and (f) of the definition thereof may exist, but subject to the provisos at the end of such definition) on additional Oil and Gas Properties not already subject to a Lien of the Security Instruments such that after giving effect thereto, the Mortgaged Properties will represent at least 85% or, on and after the Seventh Amendment Effective Date, 90% of such PV-9 value. All such Liens will be created and perfected by and in accordance with the provisions of deeds of trust, security agreements and financing statements or other Security Instruments, all in form and substance reasonably satisfactory to the Administrative Agent and with sufficient executed (and acknowledged where necessary or appropriate) counterparts for recording purposes. In order to comply with the foregoing, if any Subsidiary grants a Lien on its Oil and Gas Properties pursuant to this Section 8.13(a) and such Subsidiary is not a Guarantor, then it shall become a Guarantor and comply with Section 8.13(b). It is understood that the obligation to pledge and provide first priority perfected liens on only 85% or, on and after the Seventh Amendment Effective Date, 90% (rather than 100%) of the PV-9 of the Borrowing Base Properties is a matter of administrative convenience only and it is the intention of the parties that the Administrative Agent benefit from an all assets pledge of the Loan Parties' Properties; accordingly the percentage of the PV-9 of the Borrowing Base Properties pledged to the Administrative Agent for the benefit of the Secured Parties may be up to 100% at any time.

(b) The Borrower shall promptly cause each Domestic Subsidiary Group Member that is a wholly-owned Material Subsidiary to guarantee and secure the Secured Obligations pursuant to the Guarantee and Collateral Agreement, including pursuant to a supplement or joinder thereto. In connection with any such guaranty and security interest grant, the Borrower shall, or shall cause (i) such Material Subsidiary to promptly execute and deliver such Guarantee and Collateral Agreement (or a supplement thereto, as applicable), (ii) the owners of the Equity Interests of such Material Subsidiary who are Group Members to pledge all of the Equity Interests of such Material Subsidiary (including delivery of original stock certificates evidencing the Equity Interests of such Material Subsidiary, together with an appropriate undated stock powers for each certificate duly executed in blank by the registered owner thereof) and (iii) such Material Subsidiary or other Person, as applicable, to promptly execute and deliver such other additional closing documents, legal opinions and certificates as shall reasonably be requested by the Administrative Agent.

(c) In the event that any Loan Party becomes the owner of (i) a first tier Foreign Group Member or (ii) a Domestic Subsidiary Group Member, then the parent Loan Party shall (A) pledge (x) 65% of all Equity Interests of such Foreign Group Member or (y) 100% of all the Equity Interests of such Domestic Subsidiary Group Member, in each case, that are owned by such Loan Party (including, in each case, delivery of original stock certificates, if any, evidencing such Equity Interests, together with appropriate stock powers for each certificate duly executed in blank by the registered owner thereof) and (along with such Foreign Group Member or Subsidiary Group Member, as applicable) execute and deliver such other additional closing documents, legal opinions and certificates as shall reasonably be requested by the Administrative Agent.

(d) The Borrower will at all times cause the other material tangible and intangible assets of the Borrower and each Group Member to be subject to a Lien of the Security Instruments.

Section 8.14 ERISA Compliance. The Borrower will promptly furnish and will cause each Subsidiary of the Borrower and any ERISA Affiliate to promptly furnish to the Administrative Agent (a) immediately upon becoming aware of the occurrence of any ERISA Event or of any Prohibited Transaction, which could reasonably be expected to result in liability of the Borrower or Group Member in an aggregate amount exceeding $2,500,000, in connection with any Plan or any trust created thereunder, a written notice of the Borrower or such other Group Member or ERISA Affiliate, as the case may be, specifying the nature thereof, what action such Person is taking or proposes to take with respect thereto, and, when known, any action taken or proposed by the Internal Revenue Service, the Department of Labor or the PBGC with respect thereto, and (b) immediately upon receipt thereof, copies of any notice of the PBGC's intention to terminate or to have a trustee appointed to administer any Plan. With respect to each Plan, the Borrower will, and will cause each Subsidiary and ERISA Affiliate to, (A) satisfy in full and in a timely manner, without incurring any late payment or underpayment charge or penalty and without giving rise to any lien, all of the contribution and funding requirements of Section 412 of the Code and of Section 302 of ERISA, and (B) pay, or cause to be paid, to the PBGC and in a timely manner, without incurring any late payment or underpayment charge or penalty and without giving rise to any lien, after giving effect to any applicable grace period, all premiums required pursuant to Sections 4006 and 4007 of ERISA. Promptly following receipt thereof from the administrator or plan sponsor, but in any event within five (5) Business Days following any request therefor, the Borrower will furnish or will cause any applicable Subsidiary and any applicable ERISA Affiliate to furnish to the Administrative Agent copies of any documents described in Sections 101(k) or 101(l) of ERISA that any Loan Party or any ERISA Affiliate may request with respect to any Multiemployer Plan to which any Loan Party or any ERISA Affiliate contributes or has an obligation to contribute; provided, that if the Group Members or any of their ERISA Affiliates have not requested such documents or notices from the administrator or sponsor of the applicable Multiemployer Plan, then, upon reasonable request of the Administrative Agent, the Group Members and/or their ERISA Affiliates shall promptly, but in any event within five (5) Business Days following such request, make a request for such documents or notices from such administrator or sponsor and the Borrower shall provide copies of such documents and notices to the Administrative Agent promptly, but in any event within five (5) Business Days following receipt thereof.

Section 8.15 [Reserved].

Section 8.16 Marketing Activities. The Borrower will not, and will not permit any of the other Group Members to, engage in marketing activities for any Hydrocarbons or enter into any contracts related thereto other than (i) contracts for the sale of Hydrocarbons scheduled or reasonably estimated to be produced from their proved Oil and Gas Properties during the period of such contract, (ii) contracts for the sale of Hydrocarbons scheduled or reasonably estimated to be produced from proved Oil and Gas Properties of third parties during the period of such contract associated with the Oil and Gas Properties of the Borrower and the other Group Members that the Borrower or one of the other Group Members has the right to market pursuant to joint operating agreements, unitization agreements or other similar contracts that are usual and customary in the oil and gas business and (iii) other contracts for the purchase and/or sale of Hydrocarbons of third parties (A) which have generally offsetting provisions (i.e. corresponding pricing mechanics, delivery dates and points and volumes) such that no "position" is taken and (B) for which appropriate credit support has been taken to alleviate the material credit risks of the counterparty thereto.

Section 8.17 Account Control Agreements; Location of Proceeds of Loans.

(a) The Borrower will, and will cause each other Loan Party to, in connection with any Deposit Account and/or any Securities Account (other than Excluded Accounts for so long as it is an Excluded Account) established, held or maintained on or after the Closing Date promptly, but in any event within five (5) Business Days of the establishment of such account, cause such Deposit Account and/or Securities Account (other than Excluded Accounts for so long as it is an Excluded Account) to be a Controlled Account.

(b) The Borrower will, and will cause each Loan Party to, until the proceeds of any Loans are transferred to a third party in accordance with the Loan Documents, hold the proceeds of any Loans made under this Agreement in a Deposit Account and/or a Securities Account that is a Controlled Account.

Section 8.18 Unrestricted Subsidiaries

(a) The Borrower may designate any Restricted Subsidiary as an Unrestricted Subsidiary and, subject to Section 8.18(c), any Unrestricted Subsidiary as a Restricted Subsidiary upon delivery to the Administrative Agent of written notice from the Borrower; provided that immediately before and after such designation, (i) no Default or Event of Default shall have occurred and be continuing, (ii) immediately after giving effect to such designation, the Borrower shall be in *pro forma* compliance with Section 9.01(a) and Section 9.01(b), (iii) no Borrowing Base Deficiency not otherwise cured shall be existing or result therefrom and (iv) the representations and warranties of the Borrower and the Guarantors set forth in this Agreement and in the other Loan Documents shall be true and correct in all material respects (unless already qualified by materiality in which case such applicable representation and warranty shall be true and correct) on and as of the date of such designation, except to the extent any such representations and warranties are expressly limited to an earlier date, in which case, on and as of the date of such designation, such representations and warranties shall continue to be true and correct in all material respects (unless already qualified by materiality in which case such applicable representation and warranty shall be true and correct) as of such specified earlier date.

(b) The designation of any Restricted Subsidiary as an Unrestricted Subsidiary and any Disposition of Property to an Unrestricted Subsidiary shall constitute (i) an Investment under Section 9.05 as of the date of designation or Disposition, as applicable, in an amount equal to the Fair Market Value of the Borrower's investment therein and (ii) a Disposition as of the date of designation or Disposition, including (A) for purposes of the provisions of Section 2.08 and (B) for purposes of EBITDA where such Disposition shall be deemed to be a Material Disposition.

(c) The Borrower may designate any Unrestricted Subsidiary as a Restricted Subsidiary once upon delivery of written notice to the Administrative Agent; provided that such designation (i) shall constitute the incurrence at the time of designation of any Indebtedness and Liens of such Subsidiary existing at such time, (ii) shall constitute a reduction in any Investment under Section 9.05 to the extent that such Investment was attributable to such Restricted Subsidiary being an Unrestricted Subsidiary at the date of designation in an amount equal to the Fair Market Value of the Borrower's investment therein, it being understood that any incurrence of Indebtedness and Liens in connection herewith shall require compliance with Section 9.02 and Section 9.03, as applicable and (iii) shall require the Borrower to be in compliance with Section 9.01(a) and Section 9.01(b) immediately before such designation and in *pro forma* compliance immediately after such designation.

(d) Any designation of a Restricted Subsidiary of the Borrower as an Unrestricted Subsidiary, any designation of a Unrestricted Subsidiary as a Restricted Subsidiary and any Disposition to an Unrestricted Subsidiary will require the Borrower to provide the Administrative Agent a certificate signed by a Responsible Officer of the Borrower certifying that such designation complied with the preceding conditions in Section 8.18(b) or Section 8.18(c), as applicable.

Section 8.19 Swap Agreements. On or prior to (a) the Seventh Amendment Effective Date and (b) the last day of each Fiscal Quarter thereafter, the Loan Parties shall enter into (at then market prices) and thereafter maintain Swap Agreements with Approved Counterparties pursuant to which the Loan Parties shall hedge notional volumes not less than 50% of the reasonably anticipated projected production (based on the then most recently delivered Reserve Report hereunder) of crude oil and natural gas, calculated separately, from proved developed producing reserves from the Loan Parties' Oil and Gas Properties for each month during the subsequent twenty-four (24) calendar month period immediately following the Seventh Amendment Effective Date or immediately following any the end of such Fiscal Quarter, as applicable.

ARTICLE IX
NEGATIVE COVENANTS

Until Payment in Full, the Borrower covenants and agrees with the Lenders that:

Section 9.01 Financial Covenants.

(a) Ratio of Total Debt to EBITDA. The Borrower will not (i) as of the last day of any Fiscal Quarter ending on or before December 31, 2021, permit its ratio of Total Debt as of such last day to EBITDA for the period of four Fiscal Quarters then ending on such day to exceed 3.25 to 1.00 and (ii) as of the last day of any Fiscal Quarter commencing with the Fiscal Quarter ending March 31, 2022, permit is ratio of Total Debt as of such last day to EBITDA for the period of four Fiscal Quarters then ending on such day to exceed 3.00 to 1.00.

(b) Current Ratio. Beginning with the Fiscal Quarter ending June 30, 2017 the Borrower will not, as of the last day of any Fiscal Quarter, permit its Current Ratio as of such day then ending to be less than 1.00 to 1.00.

Section 9.02 Indebtedness. The Borrower will not, and will not permit any other Group Member to, incur, create, assume or suffer to exist any Indebtedness, except:

(a) the Loans or other Secured Obligations;

(b) Indebtedness of the Group Members existing on the Seventh Amendment Effective Date set forth on Schedule 9.02 as well as any Permitted Refinancing Indebtedness in respect thereof;

(c) accounts payable and accrued expenses or other obligations to pay the deferred purchase price of Property or services, from time to time incurred in the ordinary course of business which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP;

(d) purchase money Indebtedness or Finance Lease Obligations not to exceed $10,000,000 in the aggregate at any one time outstanding;

(e) unsecured Indebtedness associated with worker's compensation claims, bonds or surety obligations required by Governmental Requirements or by third parties in the ordinary course of business in connection with the operation of, or provision for the abandonment and remediation of, the Oil and Gas Properties;

(f) (i) Indebtedness among the Borrower and its Subsidiaries which are Loan Parties, (ii) Indebtedness between the Subsidiaries of the Borrower which are not Loan Parties and (iii) Indebtedness extended to the Borrower and its Subsidiaries which are Loan Parties by any Group Members; provided that (A) such Indebtedness is not held, assigned, transferred, negotiated or pledged to any Person other than a Loan Party and (B) any such Indebtedness owed by either the Borrower or a Guarantor shall be subordinated to the Secured Obligations on terms satisfactory to the Administrative Agent;

(g) endorsements of negotiable instruments for collection in the ordinary course of business;

(h) any guarantee of any other Indebtedness permitted to be incurred hereunder;

(i) unsecured Indebtedness in respect of Swap Agreements entered into in compliance with Section 9.17;

(j) Indebtedness of the Borrower in respect of Permitted Unsecured Debt and Permitted Second Lien Debt and, in each case, any Permitted Refinancing Indebtedness of such Indebtedness; and

(k) other Indebtedness not to exceed $10,000,000 in the aggregate at any one time outstanding.

Section 9.03 Liens. The Borrower will not, and will not permit any Group Member to, create, incur, assume or permit to exist any Lien on any of its Properties (now owned or hereafter acquired), except:

(a) Liens securing the payment of any Secured Obligations;

(b) Liens existing on the Seventh Amendment Effective Date and disclosed on Schedule 9.03 and Excepted Liens;

(c) Liens securing purchase money Indebtedness or Finance Lease Obligations permitted by Section 9.02(d) but only on the Property that is the subject of any such Indebtedness or lease, accessions and improvements thereto, insurance thereon, and the proceeds of the foregoing;

(d) Liens securing any Permitted Refinancing Indebtedness; provided that any such Permitted Refinancing Indebtedness is not secured by any additional or different Property not securing the Refinanced Indebtedness;

(e) Liens on Collateral securing any Permitted Second Lien Debt; and

(f) Liens on Property not constituting Collateral that secure Indebtedness and that are not otherwise permitted by the foregoing clauses of this Section 9.03; provided that the aggregate or principal or face amount of all debt secured by such Liens pursuant to this Section 9.03(f), and the Fair Market Value of the Properties subject to such Liens (determined as of the date such Liens are incurred), shall not exceed $10,000,000 in the aggregate at any time outstanding.

Section 9.04 Restricted Payments; Restrictions on Amendments of Permitted Unsecured Debt and Permitted Second Lien Debt.

(a) Restricted Payments. The Borrower will not, and will not permit any of the other Group Members to, declare or make, or agree to pay or make, directly or indirectly, any Restricted Payment, except (i) the Borrower may declare and pay Restricted Payments with respect to its Equity Interests payable solely in additional shares of its Equity Interests (other than Disqualified Capital Stock), (ii) Subsidiaries may make Restricted Payments ratably to the holders of their Equity Interests and (iii) the Borrower may make Restricted Payments pursuant to and in accordance with stock option plans, other equity compensation plans or other benefit plans for management, employees or other individual service providers of the Borrower and the other Group Members which plans have been approved by the Borrower's board of directors, to the extent such Restricted Payments are made in the ordinary course of business.

(b) Redemptions. The Borrower will not, and will not permit any other Group Member to prior to the date that is ninety-one (91) days after the Maturity Date, call, make or offer to make any optional or voluntary Redemption of or otherwise optionally or voluntarily Redeem (whether in whole or in part), (i) any Permitted Unsecured Debt, (ii) any Permitted Second Lien Debt, (iii) any other Indebtedness of the type set forth in clauses (a), (h) and (k) of the definition of Indebtedness (excluding (A) the Secured Obligations and (B) in the case of such other Indebtedness of the type set forth in clause (a) of the definition of Indebtedness, Redemptions in an aggregate amount paid not to exceed $5,000,000) and (iv) any Permitted Refinancing Indebtedness in respect of the foregoing (such Indebtedness, collectively, the "Specified Indebtedness"); provided that the Borrower may prepay such Specified Indebtedness with the proceeds of any Permitted Refinancing Indebtedness in respect thereof or with the net cash proceeds of Equity Interests (other than Disqualified Capital Stock) of the Borrower so long as no Default, Event of Default or Borrowing Base Deficiency has occurred and is continuing or would occur as a result of such Redemption. The Borrower will not, and will not permit any Group Member to, call, make or offer to make any mandatory Redemption of any Specified Permitted Second Lien Debt unless (1) when the Revolving Credit Exposures of the Borrower exceed $0.00 (provided that no LC Exposure which has been Cash Collateralized in a manner consistent with Section 2.09(j) (or which is reasonably satisfactory to the Administrative Agent and Issuing Bank) shall count as Revolving Credit Exposure for purposes of such calculation) as determined after giving effect to any prepayments or repayments being made in respect of the Loans and/or Cash Collateralization of the Letters of Credit occurring substantially concurrently with such Redemption, no Default, Event of Default or Borrowing Base Deficiency has occurred and is continuing or would result as a result such Redemption and (2) the Borrowing Base Utilization Percentage as of the date of such Redemption is less than eighty percent (80%) after giving effect to such Redemption.

(c) Amendments. The Borrower will not, and will not permit any other Group Member to amend, modify, waive or otherwise change, consent or agree to any amendment, modification, waiver or other change to any Specified Indebtedness (other than any Specified Permitted Second Lien Debt in respect of clauses (i) and (ii) below) if doing so would (i) increase the rate of interest thereon, (ii) require the payment of a fee (whether, without limitation, a consent fee, arrangement fee or any other fee) unless any such fee paid, when combined with any other such fees and any Investment made in reliance of Section 9.05(i), does not exceed $5,000,000 or (iii) (A) with respect to Permitted Second Lien Debt or Permitted Unsecured Debt cause such Specified Indebtedness to not meet the requirements set forth in the definition of Permitted Refinancing Indebtedness and Permitted Second Lien Debt or Permitted Unsecured Debt, as applicable (tested as if such Specified Indebtedness were being issued or incurred at such time) and (B) with respect to any other Specified Indebtedness, shorten the average maturity or average life of such Specified Indebtedness; provided that, notwithstanding the foregoing, the Specified Permitted Second Lien Debt may be amended on or after the Eighth Amendment Effective Date to (A) require the Borrower to maintain an asset coverage ratio of not less than 1.25 to 1.00 and (B) require the Borrower to maintain a total net debt to EBITDA ratio of not greater than 3.50 to 1.00 for fiscal quarters ending on or before December 31, 2021 and 3.25 to 1.00 for fiscal quarters ending on or after March 31, 2022. The Borrower will not, and will not permit any other Group Member to amend, modify, waive or otherwise change, consent or agree to any amendment, modification, waiver or other change to any Specified Permitted Second Lien Debt if doing so would not be permitted under the terms of the Intercreditor Agreement.

Section 9.05 Investments, Loans and Advances. The Borrower will not, and will not permit any other Group Member to, make or permit to remain outstanding any Investments in or to any Person, except that the foregoing restriction shall not apply to:

(a) Investments which are disclosed to the Lenders on the Seventh Amendment Effective Date in Schedule 9.05;

(b) accounts receivable arising in the ordinary course of business;

(c) Investments in Cash Equivalents;

(d) Investments (i) made among the Borrower and the other Subsidiaries which are Loan Parties, (ii) made between the Subsidiaries of the Borrower which are not Loan Parties or (iii) made by any Group Member in or to the Borrower or to its Subsidiaries which are Loan Parties;

(e) subject to the limits in Section 9.06, Investments in direct ownership interests in additional Oil and Gas Properties or investments with respect to and relating to the production of oil, gas and other liquid or gaseous hydrocarbons from Oil and Gas Properties which are usual and customary in the oil and gas exploration and production business located, in each case, within the geographic boundaries of the United States of America;

(f) loans or advances to employees, officers or directors in the ordinary course of business of the Borrower or any of the other Loan Parties, in each case only as permitted by applicable law, including Section 402 of the Sarbanes Oxley Act of 2002, but in any event not to exceed $1,000,000 in the aggregate at any time;

(g) Investments in stock, obligations or securities received in settlement of debts arising from Investments permitted under this Section 9.05 owing to the Borrower or any other Group Member as a result of a bankruptcy or other insolvency proceeding of the obligor in respect of such debts or upon the enforcement of any Lien in favor of the Borrower or any of the other Group Members; provided that the Borrower shall give the Administrative Agent prompt written notice in the event that the aggregate amount of all Investments held at any one time under this Section 9.05(g) exceeds $1,000,000;

(h) Investments pursuant to Swap Agreements otherwise permitted under this Agreement;

(i) other Investments, when combined with any fees paid under Section 9.04(c)(iii), not to exceed $5,000,000 in the aggregate at any time;

(j) loans, advances or extensions of credit to suppliers or contractors under applicable contracts or agreements in the ordinary course of business in connection with oil and gas development activities of such Borrower or such Subsidiary; and

(k) Investments in Unrestricted Subsidiaries, provided that the aggregate amount of all such Investments at any one time shall not exceed $10,000,000 (without giving effect to any appreciation in the value of such Investment after date such Investment is made).

Section 9.06 Nature of Business; No International Operations. The Borrower and the other Group Members, taken as a whole, will not allow any material change to be made in the character of its business as an independent oil and gas exploration and production company. The Group Members will not acquire or make any other expenditures (whether such expenditure is capital, operating or otherwise) in or related to, any Oil and Gas Properties not located within the geographical boundaries of the United States of America or in the offshore federal waters of the United States of America.

Section 9.07 Proceeds of Loans. The Borrower will not permit the proceeds of the Borrowings to be used for any purpose other than those permitted by Section 7.22. No Loan Party nor any Person acting on behalf of the Borrower has taken or will take any action which may cause any of the Loan Documents to violate Regulations T, U or X or any other regulation of the Board or to violate Section 7 of the Securities Exchange Act of 1934 or any rule or regulation thereunder, in each case as now in effect or as the same may hereinafter be in effect. If requested by the Administrative Agent, the Borrower will furnish to the Administrative Agent and each Lender a statement to the foregoing effect in conformity with the requirements of FR Form U-1 or such other form referred to in Regulation U, Regulation T or Regulation X of the Board, as the case may be. The Borrower will not request any Borrowing or Letter of Credit, and the Borrower shall not directly or, to the knowledge of the Borrower, indirectly use, and shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not directly or, to the knowledge of such Person, indirectly use, the proceeds of any Borrowing or Letter of Credit (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (b) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country to the extent such activities, businesses or transaction would be prohibited by Sanctions if conducted by a corporation incorporated in the United States or (c) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

Section 9.08 ERISA Compliance. Except as would not, whether individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Borrower will not, and will not permit any ERISA Affiliate to, at any time:

(a) engage in any transaction in connection with which the Borrower or any ERISA Affiliate, could be subject to either a civil penalty assessed pursuant to subsections (c), (i), (l) or (m) of Section 502 of ERISA or a tax imposed by Chapter 43 of Subtitle D of the Code;

(b) terminate, or permit any ERISA Affiliate to terminate, any Plan in a manner, or take any other action with respect to any Plan, which could result in any liability of the Borrower or any Subsidiary or any ERISA Affiliate to the PBGC;

(c) fail to make, or permit any ERISA Affiliate to fail to make, after giving effect to any applicable grace period, full payment when due of all amounts which, under the provisions of any Plan, agreement relating thereto or applicable law, the Borrower, a Subsidiary or any ERISA Affiliate is required to pay as contributions thereto;

(d) fail to satisfy, or allow any ERISA Affiliate to fail to satisfy, the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA), in any case whether or not waived, with respect to any Plan; and

(e) acquire, or permit any ERISA Affiliate to acquire, an interest in any Person that causes such Person to become an ERISA Affiliate with respect to any Subsidiary or with respect to any ERISA Affiliate if such Person sponsors, maintains or contributes to, or at any time in the six-year period immediately preceding such acquisition has sponsored, maintained, or contributed to, (1) any Multiemployer Plan, or (2) any other Plan that is subject to Title IV of ERISA under which the actuarial present value of the benefit liabilities under such Plan exceeds the current value of the assets (computed on a plan termination basis in accordance with Title IV of ERISA and determined as of the end of the most recent plan year) of such Plan allocable to such benefit liabilities.

Section 9.09 Sale or Discount of Receivables. Except for receivables obtained by the Group Members out of the ordinary course of business or the settlement of joint interest billing accounts in the ordinary course of business or discounts granted to settle collection of accounts receivable or the sale of defaulted accounts arising in the ordinary course of business in connection with the compromise or collection thereof and not in connection with any financing transaction, the Borrower will not, and will not permit any other Group Member to, discount or sell (with or without recourse) any of its notes receivable or accounts receivable.

Section 9.10 Mergers, Etc. The Borrower will not, and will not permit any other Group Member to merge into or with or consolidate with any other Person, or permit any other Person to merge into or consolidate with it or sell, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its Property to any other Person, (whether now owned or hereafter acquired) or liquidate or dissolve (any such transaction, a "consolidation"), except that (a) any Loan Party may consolidate with or into the Borrower (provided the Borrower shall be the continuing or surviving entity), (b) any Group Member (other than the Borrower) may consolidate with any Subsidiary of the Borrower which is a Loan Party (provided such Subsidiary which is a Loan Party shall be the continuing or surviving entity), and (c) any Subsidiary which is not a Loan Party may consolidate with any other Subsidiary which is not a Loan Party, in each case, so long as no Default, Event of Default or Borrowing Base Deficiency has occurred and is continuing or would occur as a result of such consolidation and notice of such consolidation is provided to the Administrative Agent five (5) Business Days prior to such consolidation.

Section 9.11 Sale of Properties and Termination of Hedging Transactions. The Borrower will not, and will not permit any Group Member to, sell, assign, farm-out, convey or otherwise transfer any Property except for:

(a) the sale of Hydrocarbons in the ordinary course of business (any such sale, a "Permitted Sale of Hydrocarbons");

(b) if no Default or Event of Default has occurred and is continuing, the sale or other Disposition (including any farmout or similar agreement) of Oil and Gas Properties not included in the calculation of the Borrowing Base (which, for avoidance of doubt, includes Oil and Gas Properties not constituting Proved Reserves);

(c) the sale or transfer of equipment that (i) is no longer necessary for the business of the Borrower or such other Group Member or (ii) is replaced by equipment of at least comparable value and use;

(d) the sale or other Disposition (including Casualty Events or in connection with any condemnation proceeding) of any Oil and Gas Property constituting Proved Reserves or any interest therein, 100% of the Equity Interests of any Subsidiary owning Oil and Gas Properties constituting Proved Reserves or the Unwind of Swap Agreements; provided that

(i) not less than 80% of the consideration received in respect of such sale or other Disposition shall be cash (provided that Oil and Gas Properties received as consideration in connection with an asset swap may be deemed to be cash in an amount equal to the Fair Market Value of the Oil and Gas Properties received so long as the aggregate amount of such deemed cash consideration does not to exceed 10% of the Borrowing Base then in effect at the time of such sale or other Disposition),

(ii) no Default or Event of Default has occurred and is continuing nor would a Default, Event of Default or Borrowing Base Deficiency (after giving effect to any prepayment of the Loans made with the proceeds of such sale or other Disposition) result therefrom, and

(iii) (other than in respect of Casualty Events) the consideration received in respect of a sale or other Disposition of any Oil and Gas Property, Equity Interest or interest therein shall be equal to or greater than the Fair Market Value of the Oil and Gas Property, Equity Interest or interest therein subject of such sale or other Disposition (as reasonably determined by a Responsible Officer of the Borrower and if requested by the Administrative Agent, the Borrower shall deliver a certificate of a Responsible Officer of the Borrower certifying to the foregoing);

(e) sales and other Dispositions for cash of Properties having a Fair Market Value in aggregate not to exceed $5,000,000;

(f) (i) transfers of Properties between the Borrower and its Subsidiaries which are Loan Parties, (ii) transfers of Properties between the Subsidiaries of the Borrower which are not Group Members and (iii) transfers of Property from Subsidiaries which are not Loan Parties to Loan Parties; and

(g) any transaction permitted by Section 9.05.

Section 9.12 Sales and Leasebacks. The Borrower will not, and will not permit any other Group Member to enter into any arrangement with any Person providing for the leasing by any Group Member of real or personal property that has been or is to be sold or transferred by such Group Member to such Person or to any other Person to whom funds have been or are to be advanced by such Person on the security of such property or rental obligations of such Group Member.

Section 9.13 Environmental Matters. The Borrower will not, and will not permit any other Group Member, to undertake (or allow to be undertaken at any property subject to its control) anything which will subject any such property to any obligation to conduct any investigation or remediation under any applicable Environmental Laws or regarding any Hazardous Material that could reasonably be expected to have a Material Adverse Effect, it being understood that the foregoing will not be deemed to limit (i) any obligation under applicable Environmental Law to disclose any relevant facts, conditions or circumstances to the appropriate Governmental Authority as and to the extent required by any such Environmental Law, (ii) any investigation or remediation required to be conducted under applicable Environmental Law, (iii) any investigation reasonably requested by a prospective purchaser of any property, provided that such investigation is subject to conditions and limitations (including indemnification and insurance obligations regarding the conduct of such investigation) that are reasonably protective of the Borrower and any Group Member, or (iv) any investigation or remediation required pursuant to any lease agreements with the owners of any Properties.

Section 9.14 Transactions with Affiliates. Except for payment of Restricted Payments permitted by Section 9.04, the Borrower will not, and will not permit any other Group Member to, enter into any transaction, including any purchase, sale, lease or exchange of Property or the rendering of any service, with any Affiliate (other than between the Borrower and other Loan Parties) unless such transactions are otherwise not prohibited under this Agreement and are upon fair and reasonable terms no less favorable to it than it would obtain in a comparable arm's length transaction with a Person not an Affiliate.

Section 9.15 Subsidiaries. The Borrower shall not, and shall not permit any Group Member to, sell, assign or otherwise Dispose of any Equity Interests in any Group Members except in compliance with Section 9.11(f). The Borrower shall not, and shall not permit any other Group Member to, have any foreign Subsidiaries (other than those in existence on the Closing Date).

Section 9.16 Negative Pledge Agreements; Dividend Restrictions. The Borrower will not, and will not permit any other Group Member to, create, incur, assume or suffer to exist any contract, agreement or understanding which in any way prohibits or restricts (a) the granting, conveying, creation or imposition of any Lien on any of its Property to secure the Secured Obligations or which (i) requires the consent of other Persons in connection therewith or (ii) provides that any such occurrence shall constitute a default or breach of such agreement or (b) the Borrower or any other Group Member from (i) paying dividends or making distributions to any Loan Party, (ii) paying any Indebtedness owed to any Loan Party (other than any restrictions imposed on any Loan Party making any such payment pursuant to the Loan Documents during an Event of Default or pursuant to the terms of any Permitted Second Lien Debt Documents having the same restrictions as the Loan Documents), (iii) making loans or advances to, or other Investments in, any Loan Party (other than any restrictions imposed on any Loan Party making such loan or advance pursuant to the Loan Documents during an Event of Default or pursuant to the terms of any Permitted Second Lien Debt Documents having the same restrictions as the Loan Documents) or (iv) prepaying or repaying Secured Obligations; provided that (A) the foregoing shall not apply to restrictions and conditions under the Loan Documents and (B) clause (a) of the foregoing shall not apply to restrictions or conditions imposed by any agreement for purchase money Indebtedness or Finance Lease Obligations permitted by this Agreement if such restrictions or conditions apply only to the Property securing such purchase money Indebtedness or Finance Lease Obligations.

Section 9.17 Swap Agreements.

(a) The Borrower will not, and will not permit any other Group Member to, enter into any Swap Agreements with any Person other than:

(i) Swap Agreements with an Approved Counterparty in respect of commodities entered into not for speculative purposes the notional volumes for which (when aggregated with other commodity Swap Agreements then in effect other than Permitted Basis Differential Swaps) do not exceed, as of the date such Swap Agreement is entered into (A) ninety percent (90%) of the reasonably anticipated projected production (as such production is projected in the most recent Reserve Report delivered pursuant to the terms of this Agreement) from Proved Reserves from the Borrower's and its Restricted Subsidiaries' Oil and Gas Properties for each month during the period which such Swap Agreement is in effect for each of crude oil, natural gas and natural gas liquids, calculated separately (it being understood that natural gas liquids may be hedged with Swap Agreements for natural gas, in which case any such Swap Agreements for natural gas shall be measured as counting toward the amount notional volumes of natural gas liquids which are permitted to be subject to Swap Agreements hereunder on a BTU equivalent basis), for the period of twenty-four (24) months following the date such Swap Agreement is entered into and (B) ninety percent (90%) of the reasonably anticipated projected production (as such production is projected in the most recent Reserve Report delivered pursuant to the terms of this Agreement) from the Borrower's and its Restricted Subsidiaries' proved, developed, producing Oil and Gas Properties for each month during the period which such Swap Agreement is in effect for each of crude oil, natural gas and natural gas liquids, calculated separately (it being understood that natural gas liquids may be hedged with Swap Agreements for natural gas, in which case any such Swap Agreements for natural gas shall be measured as counting toward the amount notional volumes of natural gas liquids which are permitted to be subject to Swap Agreements hereunder on a BTU equivalent basis) for the period of twenty-five (25) to sixty (60) months following the date such Swap Agreement is entered into; provided that (x) the Borrower may update the projections referenced in Section 9.17(a)(i)(A) and Section 9.17(a)(i)(B) above (as well as Section 9.17(a)(ii)(A) below) by providing the Administrative Agent an internal report prepared by or under the supervision of the chief engineer of the Borrower and its other Group Members and any additional informational reasonably requested by the Administrative Agent that is, in each case, reasonably satisfactory to the Administrative Agent (and shall include new reasonably anticipated Hydrocarbon production from new wells or other production improvements and any dispositions, well shut-ins and other reductions of, or decreases to, production) and (y) any Swap Agreements shall not, in any case, have a tenor of greater than five (5) years; provided further that the foregoing limitations shall not apply to purchased put options or floors for Hydrocarbons that are not related to corresponding calls, collars or swaps and with respect to which any Group Member has no payment obligation other than premiums and charges the total amount of which are fixed and known at the time such transaction is entered into;

(ii) in connection with a proposed acquisition by the Borrower or its Restricted Subsidiaries of Oil and Gas Properties pursuant to a binding and enforceable purchase and sale agreement and in addition to the Swap Agreements permitted to be entered into pursuant to Section 9.17(a)(i), Swap Agreements with Approved Counterparties in respect of commodities entered into not for speculative purposes; provided that:

(A) the notional volumes for which (exclusive of puts and floors on volumes already hedged pursuant to other Swap Agreements for which the total amount of obligations thereunder are known and fixed at the time such transaction is entered into and Permitted Basis Differential Swaps) do not exceed, as of the date such Swap Agreement is entered into (as such production is projected in the most recent Reserve Report delivered pursuant to the terms of this Agreement (subject to the terms of the proviso in Section 9.17(a)(i)(x))) and for each month during the period during which such Swap Agreement is in effect) fifteen percent (15%) of the reasonably anticipated production from Proved Reserves from the Borrower's and its Restricted Subsidiaries' Oil and Gas Properties for each month during the period which such Swap Agreement is in effect for each of crude oil, natural gas and natural gas liquids, calculated separately (it being understood that natural gas liquids may be hedged with Swap Agreements for natural gas in which case any such Swap Agreements for natural gas shall be measured as counting toward the amount notional volumes of natural gas liquids which are permitted to be subject to Swap Agreements hereunder on a BTU equivalent basis) for the period of thirty-six (36) months following the date such Swap Agreement is entered into;

(B) such Swap Agreements are entered into on or after the date on which the Borrower or any of its Restricted Subsidiaries signs such a binding and enforceable purchase and sale agreement in connection with such proposed acquisition of Oil and Gas Properties;

(C) such Swap Agreements shall not, in any case, have a tenor of greater than three (3) years; and

(D) the Borrower shall Unwind such Swap Agreements to the extent necessary to be in compliance with the limitations set forth in Section 9.17(a)(i) on the earliest of (1) the date of consummation of such proposed acquisition of Oil and Gas Properties, (2) the date that is 90 days after the execution of the purchase and sale agreement relating to such acquisition to the extent that such acquisition has not been consummated by such date, and (3) any Loan Party knows with reasonable certainty that such acquisition will not be consummated or such purchase and sale agreement is terminated; and

(iii) Swap Agreements in respect of interest rates with an Approved Counterparty, which effectively convert interest rates from floating to fixed, the notional amounts of which (when aggregated with all other Swap Agreements of the Borrower and its Subsidiaries then in effect effectively converting interest rates from floating to fixed) do not exceed 80% of the then outstanding principal amount of all the Borrower's Indebtedness for borrowed money which bears interest at a floating rate;

(b) in no event shall any Swap Agreement contain any requirement, agreement or covenant for any Group Member to post collateral or margin to secure their obligations under such Swap Agreement or to cover market exposures (other than under the Security Instruments);

(c) Swap Agreements shall only be entered into in the ordinary course of business (and not for speculative purposes);

(d) no Swap Agreement in respect of commodities shall be terminated, unwound, cancelled or otherwise disposed of except to the extent permitted by Section 9.11; and

(e) if, after the end of any calendar month, the aggregate volume of all Swap Agreements in respect of commodities for which settlement payments were calculated in such calendar month and the preceding calendar month (other than Permitted Basis Differential Swaps) exceeded, or will exceed, 100% of actual production of crude oil, natural gas and natural gas liquids, calculated separately, in such calendar months, then the Borrower shall terminate, create off-setting positions, allocate volumes to other production the Borrower or any Subsidiary is marketing, or otherwise Unwind existing Swap Agreements such that, at such time, future hedging volumes will not exceed 100% of reasonably anticipated projected production from proved, developed producing Oil and Gas Properties for each of crude oil, natural gas and natural gas liquids, calculated separately, for the then-current and any succeeding calendar months.

Section 9.18 Amendments to Organizational Documents and Material Contracts. The Borrower shall not, and shall not permit any other Group Member to, amend, supplement or otherwise modify (or permit to be amended, supplemented or modified) its Organizational Documents in any material respect that could reasonably be expected to be materially adverse to the interests of the Administrative Agent or the Lenders without the consent of the Administrative Agent.

Section 9.19 Changes in Fiscal Periods. The Borrower shall not, and shall not permit any other Group Member to have its Fiscal Year end on a date other than December 31 or change the its method of determining Fiscal Quarters.

Section 9.20 Limitations on Borrowings. From the Eighth Amendment Effective Date through the effectiveness of the May 1, 2022 Scheduled Redetermination, the Borrower shall not request that (a) the Lenders make any Loans or (b) the Issuing Banks issue, amend, renew or extend any Letter of Credit, if at the time of and immediately after giving effect to such Borrowing or issuance, amendment, renewal or extension of such Letter of Credit, as applicable, the total Revolving Credit Exposures would exceed $435,000,000, and it is agreed that any request made in violation hereof shall be null and void; provided, however, that this Section 9.20 shall cease to apply if:

(i) The Administrative Agent has received reasonably satisfactory evidence that the Borrower and/or one of its Subsidiaries has consummated the Specified Acquisition pursuant to the Specified Purchase Agreement without giving effect to any waiver, amendment, modification or consent thereto, in each case, that is materially adverse to the interests of the Lenders (as reasonably determined by the Administrative Agent in good faith) without the consent of the Administrative Agent;

(ii) After giving effect to the Specified Acquisition and any additional title information and Security Instruments delivered by the Loan Parties in connection therewith, the Administrative Agent has received satisfactory title information on at least 90% of PV-9 of the Borrowing Base Properties evaluated in the most recently delivered Reserve Report (as supplemented by the Specified Acquisition Engineering Reports) and the Mortgaged Properties shall represent at least 90% of the total value of PV-9 of the Borrowing Base Properties evaluated in such Reserve Report (as supplemented by the Specified Acquisition Engineering Reports);

(iii) The Administrative Agent has received evidence reasonably satisfactory to it (including customary lien search results, duly executed recordable mortgage releases and UCC-3 financing statement terminations) that all Liens on the Specified Acquisition Properties and any assets acquired in the Specified Acquisition (other than Excepted Liens of the type described in clauses (a) to (d) and (f) of the definition thereof, but subject to the provisos at the end of such definition) have been released or terminated, or will be released and terminated subject only to the filing of applicable terminations and releases and that such filings have been duly authorized; and

(iv) The Administrative Agent has received a certificate of a Responsible Officer of the Borrower certifying that (A) attached thereto are true, accurate and complete copies of the Specified Purchase Agreement (including any amendments, supplements or other modifications thereto and any waivers or consents delivered in connection therewith) and all side letters and all other material agreements, documents and assignments (including any assignments and bills of sale) executed and delivered in connection with the Specified Acquisition and (B) the Loan Parties have acquired all of the Oil and Gas Properties evaluated in the Specified Acquisition Engineering Reports other than the Oil and Gas Properties set forth in a schedule attached to such certificate which are not acquired by the Borrower and/or one of its Subsidiaries on the effective date of the Specified Acquisition and the basis therefor, if any.

ARTICLE X
EVENTS OF DEFAULT; REMEDIES

Section 10.01 Events of Default. One or more of the following events shall constitute an "Event of Default":

(a) the Borrower shall fail to pay any principal of any Loan or any reimbursement obligation in respect of any LC Disbursement when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof, by acceleration or otherwise;

(b) the Borrower shall fail to pay any interest on any Loan or any fee or any other amount (other than an amount referred to in Section 10.01(a)) payable under any Loan Document, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of five (5) days;

(c) any representation or warranty made or deemed made by or on behalf of the Borrower or any other Group Member in or in connection with any Loan Document or any amendment or modification of any Loan Document or waiver under such Loan Document, or in any report, notice, certificate, financial statement or other document furnished pursuant to or in connection with any Loan Document or any amendment or modification thereof or waiver thereunder, shall prove to have been incorrect in any material respect when made or deemed made;

(d) the Borrower or any other Group Member shall fail to observe or perform any covenant, condition or agreement contained in Section 8.01(k), Section 8.02, Section 8.03 (only with respect to the Borrower's existence), Section 8.17, Section 8.18 or in Article IX;

(e) the Borrower or any other Group Member shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those specified in Section 10.01(a), Section 10.01(b), Section 10.01(c) or Section 10.01(d)) or any other Loan Document, and such failure shall continue unremedied for a period of 30 days, after the earlier to occur of (A) notice thereof from the Administrative Agent to the Borrower (which notice will be given at the request of any Lender) or (B) a Responsible Officer of the Borrower or such other Group Member otherwise becoming aware of such default;

(f) the Borrower or any other Group Member shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Material Indebtedness, when and as the same shall become due and payable and such failure continues after the applicable grace or notice period, if any, specified in the relevant document for such Material Indebtedness;

(g) any other event or condition occurs that results in any Material Indebtedness of any Group Member becoming due prior to its scheduled maturity or that enables or permits (after giving effect to any applicable notice periods, if any, and any applicable grace periods) the holder or holders of any such Material Indebtedness or any trustee or agent on its or their behalf to cause any such Material Indebtedness to become due, or to require the Redemption thereof or any offer to Redeem to be made in respect thereof, prior to its scheduled maturity or require the Borrower or any other Group Member to make an offer in respect thereof;

(h) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of any Group Member, or its or their debts, or of a substantial part of its or their assets, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any other Group Member or for a substantial part of its or their assets, and, in any such case, such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered;

(i) the Borrower or any other Group Member shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in Section 10.01(h), (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any other Group Member or for a substantial part of its or their assets, (iv) file an answer admitting the material allegations of a petition filed against it or them in any such proceeding, (v) make a general assignment for the benefit of creditors, (vi) take any action for the purpose of effecting any of the foregoing; or any partner, or stockholder of the Borrower shall make any request or take any action for the purpose of calling a meeting of the partners or stockholders, as applicable, of the Borrower to consider a resolution to dissolve and wind up the Borrower's affairs or (vii) become unable, admit in writing its inability or fail generally to pay its debts as they become due;

(j) (i) one or more judgments for the payment of money in an aggregate amount in excess of $10,000,000 (to the extent not covered by independent third party insurance as to which the insurer does not dispute coverage and is not subject to an insolvency proceeding) or (ii) any one or more non-monetary judgments that have, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, shall be rendered against any Group Member or any combination thereof and the same shall remain undischarged for a period of sixty (60) consecutive days during which execution shall not be effectively stayed;

(k) the Loan Documents after delivery thereof shall for any reason, except to the extent permitted by the terms thereof, cease to be in full force and effect and valid, binding and enforceable in accordance with their terms against the Borrower or a Loan Party party thereto or shall be repudiated by any of them, or cease to create a valid and perfected Lien of the priority required thereby on any Collateral purported to be covered thereby, except to the extent permitted by the terms of this Agreement, or the Borrower or any other Loan Party or any of their Affiliates shall so state or assert in writing; or

(l) a Change in Control shall occur.

Section 10.02 Remedies.

(a) In the case of an Event of Default other than one described in Section 10.01(g), Section 10.01(h) or Section 10.01(i), at any time thereafter during the continuance of such Event of Default, the Administrative Agent may, and at the request of the Majority Lenders, shall, by notice to the Borrower, take either or both of the following actions, at the same or different times: (i) terminate the Commitments and/or the LC Commitments, and thereupon the Commitments and/or the LC Commitments shall terminate immediately, and (ii) declare the Notes and the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrower and the Guarantors accrued hereunder and under the Notes and the other Loan Documents (including the payment of cash collateral to secure the LC Exposure as provided in Section 2.09(j)), shall become due and payable immediately, without presentment, demand, protest, notice of intent to accelerate, notice of acceleration or other notice of any kind, all of which are hereby waived by the Borrower and each Guarantor; and in case of an Event of Default described in Section 10.01(g), Section 10.01(h) or Section 10.01(i), the Commitments shall automatically terminate and the Notes and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and the other obligations of the Borrower and the Guarantors accrued hereunder and under the Notes and the other Loan Documents (including the payment of cash collateral to secure the LC Exposure as provided in Section 2.09(j)), shall automatically become due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower and each Guarantor.

(b) In the case of the occurrence of an Event of Default, the Administrative Agent and the Lenders will have all other rights and remedies available at law and equity.

(c) In the case of the occurrence of an Event of Default which results in the Commitments terminating then the Borrowing Base shall automatically and concurrently be reduced to $0.

(d) All proceeds realized from the liquidation or other Disposition of collateral and to any other amounts received after maturity of the Loans, whether from the Borrower, another Loan Party, by acceleration or otherwise, shall be applied:

(i) first, to payment or reimbursement of that portion of the Secured Obligations constituting fees, expenses and indemnities payable to the Administrative Agent in its capacity as such;

(ii) second, *pro rata* to payment or reimbursement of that portion of the Secured Obligations constituting fees, expenses and indemnities payable to the Lenders;

(iii) third, *pro rata* to payment of accrued interest on the Loans and regularly scheduled payments in respect of Secured Swap Agreement (but not any close-out or termination amounts);

(iv) fourth, *pro rata* to payment of principal outstanding on the Loans and the Secured Obligations then owing under Secured Swap Agreements (to the extent not paid pursuant to clause Third);

(v) fifth, *pro rata* to any other Secured Obligations;

(vi) sixth, to serve as cash collateral to be held by the Administrative Agent to secure the LC Exposure; and

(vii) seventh, any excess, after all of the Secured Obligations shall have been indefeasibly paid in full in cash, shall be paid to the Borrower or as otherwise required by any Governmental Requirement.

ARTICLE XI
THE ADMINISTRATIVE AGENT

Section 11.01 Appointment; Powers. Each Lender and Issuing Bank hereby irrevocably appoints the Administrative Agent as its agent and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof and the other Loan Documents, together with such actions and powers as are reasonably incidental thereto. Each Lender (and each Person that becomes a Lender hereunder pursuant to Section 12.04) hereby authorizes and directs the Administrative Agent to enter into the Security Instruments on behalf of such Lender, in each case, as needed to effectuate the transactions permitted by this Agreement and agrees that the Administrative Agent may take such actions on its behalf as is contemplated by the terms of such applicable Security Instrument. Without limiting the provisions of Sections 11.02 and 12.03, each Lender hereby consents to the Administrative Agent and any successor serving in such capacity and agrees not to assert any claim (including as a result of any conflict of interest) against the Administrative Agent, or any such successor, arising from the role of the Administrative Agent or such successor under the Loan Documents so long as it is either acting in accordance with the terms of such documents and otherwise has not engaged in gross negligence or willful misconduct.

Section 11.02 Duties and Obligations of Administrative Agent. The Administrative Agent shall not have any duties or obligations except those expressly set forth in the Loan Documents. Without limiting the generality of the foregoing, (a) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or Event of Default has occurred and is continuing (the use of the term "agent" herein and in the other Loan Documents with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law; rather, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties), (b) the Administrative Agent shall have no duty to take any discretionary action or exercise any discretionary powers, except as provided in Section 11.03, and (c) except as expressly set forth herein, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any Group Member that is communicated to or obtained by the bank serving as Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until written notice thereof is given to the Administrative Agent by the Borrower or a Lender, and shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or under any other Loan Document or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or in any other Loan Document, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, (v) the satisfaction of any condition set forth in Article VI or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent or as to those conditions precedent expressly required to be to the Administrative Agent's satisfaction, (vi) the existence, value, perfection or priority of any collateral security or the financial or other condition of the Borrower and the other Group Members or any other obligor or guarantor, or (vii) any failure by the Borrower or any other Person (other than itself) to perform any of its obligations hereunder or under any other Loan Document or the performance or observance of any covenants, agreements or other terms or conditions set forth herein or therein. For purposes of determining compliance with the conditions specified in Article VI, each Lender shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received written notice from such Lender prior to the proposed closing date specifying its objection thereto. No Person identified as Arranger or as a Syndication Agent or Documentation Agent, in each case in its respective capacity as such, shall have any responsibilities or duties, or incur any liability, under this Agreement or the other Loan Documents.

Section 11.03 Action by Administrative Agent. The Administrative Agent shall have no duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise in writing as directed by the Majority Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 12.02) and in all cases the Administrative Agent shall be fully justified in failing or refusing to act hereunder or under any other Loan Documents unless it shall (a) receive written instructions from the Majority Lenders or the Lenders, as applicable, (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 12.02) specifying the action to be taken and (b) be indemnified to its satisfaction by the Lenders against any and all liability and expenses which may be incurred by it by reason of taking or continuing to take any such action. The instructions as aforesaid and any action taken or failure to act pursuant thereto by the Administrative Agent shall be binding on all of the Lenders. If a Default or Event of Default has occurred and is continuing, then the Administrative Agent shall take such action with respect to such Default or Event of Default as shall be directed by the requisite Lenders in the written instructions (with indemnities) described in this Section 11.03, provided that, unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders. In no event, however, shall the Administrative Agent be required to take any action which exposes the Administrative Agent to personal liability or which is contrary to this Agreement, the Loan Documents or applicable law. The Administrative Agent shall not be liable for any action taken or not taken by it with the consent or at the request of the Majority Lenders or the Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 12.02), and otherwise the Administrative Agent shall not be liable for any action taken or not taken by it hereunder or under any other Loan Document or under any other document or instrument referred to or provided for herein or therein or in connection herewith or therewith INCLUDING ITS OWN ORDINARY NEGLIGENCE, except for its own gross negligence or willful misconduct.

Section 11.04 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person (including, for the avoidance of doubt, in connection with the Administrative Agent's reliance on any Electronic Signature transmitted by telecopy, emailed .pdf or any other electronic means that reproduces an image of an actual executed signature page). The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon and each of the Borrower, the Lenders and the Issuing Bank(s) hereby waives the right to dispute the Administrative Agent's record of such statement, except in the case of gross negligence or willful misconduct by the Administrative Agent. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 11.05 Subagents. The Administrative Agent may perform any and all its duties and exercise its rights and powers by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of the preceding Sections of this Article XI shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

Section 11.06 Resignation or Removal of Administrative Agent. The Administrative Agent may resign at any time by notifying the Lenders, the Issuing Bank(s) and the Borrower. Upon any such resignation, the Majority Lenders shall have the right, in consultation with the Borrower, to appoint from among the Lenders a successor. If no successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may, on behalf of the Lenders and the Issuing Bank(s), appoint a qualified financial institution as successor Administrative Agent. Upon the acceptance of its appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the Administrative Agent's resignation hereunder, the provisions of this Article XI and Section 12.03 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while it was acting as Administrative Agent.

Section 11.07 Administrative Agent as a Lender. The bank serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and such bank and its Affiliates may accept deposits from, lend money to and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if it were not the Administrative Agent hereunder.

Section 11.08 Acknowledgements of Lenders and Issuing Banks.

(a) Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent, any arranger of this Agreement or any amendment thereto or any other Lender and their respective Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and each other Loan Document to which it is a party. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent, any arranger of this Agreement or any amendment thereto or any other Lender and their respective Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document, any related agreement or any document furnished hereunder or thereunder. The Administrative Agent shall not be required to keep themselves informed as to the performance or observance by, the Borrower or any of the other Group Members of this Agreement, the Loan Documents or any other document referred to or provided for herein or to inspect the Properties or books of any such Person. Except for notices, reports and other documents and information expressly required to be furnished to the Lenders by the Administrative Agent hereunder, the Arranger shall have any duty or responsibility to provide any Lender with any credit or other information concerning the affairs, financial condition or business of the Borrower or any Group Member (or any of their Affiliates) which may come into the possession of such Agent or any of its Affiliates. In this regard, each Lender acknowledges that Simpson Thacher & Bartlett LLP is acting in this transaction as special counsel to the Administrative Agent only, except to the extent otherwise expressly stated in any legal opinion or any Loan Document. Each other party hereto will consult with its own legal counsel to the extent that it deems necessary in connection with the Loan Documents and the matters contemplated therein.

(b) (i) Each Lender and Issuing Bank hereby agrees that (x) if the Administrative Agent notifies such Lender or such Issuing Bank that the Administrative Agent has determined in its sole discretion that any funds received by such Lender or such Issuing Bank from the Administrative Agent or any of its Affiliates (whether as a payment, prepayment or repayment of principal, interest, fees or otherwise; individually and collectively, a "Payment") were erroneously transmitted to such Lender or such Issuing Bank (whether or not known to such Lender or such Issuing Bank), and demands the return of such Payment (or a portion thereof), such Lender and/or such Issuing Bank, as applicable, shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender or such Issuing Bank to the date such amount is repaid to the Administrative Agent at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect, and (y) to the extent permitted by applicable law, such Lender and/or such Issuing Bank shall not assert, and hereby waives, as to the Administrative Agent, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Payments received, including without limitation any defense based on "discharge for value" or any similar doctrine. A notice of the Administrative Agent to any Lender or Issuing Bank under this Section 11.08(b) shall be conclusive, absent manifest error.

(ii) Each Lender and Issuing Bank hereby further agrees that if it receives a Payment from the Administrative Agent or any of its Affiliates (x) that is in a different amount than, or on a different date from, that specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Payment (a "Payment Notice") or (y) that was not preceded or accompanied by a Payment Notice, it shall be on notice, in each such case, that an error has been made with respect to such Payment. Each Lender and Issuing Bank agrees that, in each such case, or if it otherwise becomes aware a Payment (or portion thereof) may have been sent in error, such Lender or such Issuing Bank shall promptly notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender or such Issuing Bank to the date such amount is repaid to the Administrative Agent at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect.

(iii) The Borrower and each other Loan Party hereby agrees that (x) in the event an erroneous Payment (or portion thereof) are not recovered from any Lender or Issuing Bank that has received such Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Lender and/or such Issuing Bank with respect to such amount and (y) an erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any other Loan Party that were not directly paid by a Loan Party to the Administrative Agent pursuant to the terms hereof in satisfaction of, and in order to satisfy, such Obligations.

Section 11.09 Administrative Agent May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Borrower or any of the other Loan Parties, the Administrative Agent (irrespective of whether the principal of any Loan or LC Disbursement shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, LC Disbursements and all other Secured Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the Issuing Bank and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Section 12.03) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Section 3.05 and Section 12.03.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Secured Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

Section 11.10 Authority of Administrative Agent to Release Collateral and Liens; Entry into Intercreditor Agreements.

(a) The Lenders, each Issuing Bank and each other Secured Party:

(i) irrevocably authorize the Administrative Agent to comply with the provisions of Section 12.18 (without requirement of notice to or consent of any Person except as expressly required by Section 12.02(b)); and

(ii) authorize the Administrative Agent to execute and deliver to the Loan Parties, any and all releases of Liens, termination statements, assignments or other documents as reasonably requested by such Loan Party in connection with any sale or other Disposition of Property to the extent such sale or other Disposition is permitted by the terms of Section 9.11 or is otherwise authorized by the terms of the Loan Documents.

Upon request by the Administrative Agent at any time, the Majority Lenders will confirm in writing the Administrative Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Guarantor from its obligations under the Guarantee and Collateral Agreement pursuant to this Section 11.10 or Section 12.18.

(b) The Lenders, each Issuing Bank and each other Secured Party irrevocably (i) authorizes the Administrative Agent to enter into or amend any intercreditor agreement with the Collateral Agent or other representative of the holders of Indebtedness that is permitted to be secured by a Lien on the Collateral as permitted under this Agreement, in each case for the purpose of adding the holders of such Indebtedness (or their representative) as a party thereto and otherwise causing such Indebtedness to be subject thereto and (ii) and consents to the Administrative Agent and agrees not to assert any claims against the Administrative Agent or any successor thereof arising from the role of the Administrative Agent or such successor under such intercreditor agreement, so long as it is acting in accordance with the terms of the Loan Documents and such intercreditor agreement (it being understood that any action taken by the Administrative Agent acting at the direction of, or with the negative consent of, the Majority Lenders shall be an action that is undertaken in accordance with the terms of the Loan Documents). Upon request by the Administrative Agent at any time, the Majority Lenders will confirm in writing the Administrative Agent's authority to enter into or amend such intercreditor agreement pursuant to this Section 11.10.

Section 11.11 Duties of the Arranger. The Arranger shall have any duties, responsibilities or liabilities under this Agreement and the other Loan Documents other than their duties, responsibilities and liabilities in their capacity as Lenders hereunder.

Section 11.12 Credit Bidding. The Secured Parties hereby irrevocably authorize the Administrative Agent, at the direction of the Majority Lenders, to credit bid all or any portion of the Secured Obligations (including by accepting some or all of the Collateral in satisfaction of some or all of the Secured Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (a) at any sale thereof conducted under the provisions of the Bankruptcy Code, including under Sections 363, 1123 or 1129 of the Bankruptcy Code, or any similar laws in any other jurisdictions to which a Credit Party is subject, or (b) at any other sale, foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with any applicable law. In connection with any such credit bid and purchase, the Secured Obligations owed to the Secured Parties shall be entitled to be credit bid by the Administrative Agent at the direction of the Majority Lenders on a ratable basis (with Secured Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that shall vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) for the asset or assets so purchased (or for the equity interests or debt instruments of the acquisition vehicle or vehicles that are issued in connection with such purchase). In connection with any such bid (i) the Administrative Agent shall be authorized to form one or more acquisition vehicles and to assign any successful credit bid to such acquisition vehicle or vehicles, (ii) each of the Secured Parties' ratable interests in the Secured Obligations which were credit bid shall be deemed without any further action under this Agreement to be assigned to such vehicle or vehicles for the purpose of closing such sale, (iii) the Administrative Agent shall be authorized to adopt documents providing for the governance of the acquisition vehicle or vehicles (provided that any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any Disposition of the assets or equity interests thereof, shall be governed, directly or indirectly, by, and the governing documents shall provide for, control by the vote of the Majority Lenders or their permitted assignees under the terms of this Agreement or the governing documents of the applicable acquisition vehicle or vehicles, as the case may be, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Majority Lenders contained in Section 12.02 of this Agreement), (iv) the Administrative Agent on behalf of such acquisition vehicle or vehicles shall be authorized to issue to each of the Secured Parties, ratably on account of the relevant Secured Obligations which were credit bid, interests, whether as equity, partnership, limited partnership interests or membership interests, in any such acquisition vehicle and/or debt instruments issued by such acquisition vehicle, all without the need for any Secured Party or acquisition vehicle to take any further action, and (v) to the extent that Secured Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason, such Secured Obligations shall automatically be reassigned to the Secured Parties *pro rata* and the equity interests and/or debt instruments issued by any acquisition vehicle on account of such Secured Obligations shall automatically be cancelled, without the need for any Secured Party or any acquisition vehicle to take any further action. Notwithstanding that the ratable portion of the Secured Obligations of each Secured Party are deemed assigned to the acquisition vehicle or vehicles as set forth in clause (ii) above, each Secured Party shall execute such documents and provide such information regarding the Secured Party (and/or any designee of the Secured Party which will receive interests in or debt instruments issued by such acquisition vehicle) as the Administrative Agent may reasonably request in connection with the formation of any acquisition vehicle, the formulation or submission of any credit bid or the consummation of the transactions contemplated by such credit bid.

Section 11.13 Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, and the Arranger and its respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of the Plan Asset Regulations) of one or more Benefit Plans in connection with the Loans, the Letters of Credit or the Commitments,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has provided another representation, warranty and covenant as provided in sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, and the Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that none of the Administrative Agent, or any Arranger, any Syndication Agent, any Documentation Agent or any of their respective Affiliates is a fiduciary with respect to the Collateral or the assets of such Lender (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related to hereto or thereto).

(c) The Administrative Agent, and each Arranger, Syndication Agent and Documentation Agent hereby informs the Lenders that each such Person is not undertaking to provide investment advice or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Loans, the Letters of Credit, the Commitments, this Agreement and any other Loan Documents (ii) may recognize a gain if it extended the Loans, the Letters of Credit or the Commitments for an amount less than the amount being paid for an interest in the Loans, the Letters of Credit or the Commitments by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

Section 11.14 Posting of Communications.

(a) The Borrower agrees that the Administrative Agent may, but shall not be obligated to, make any Communications available to the Lenders and the Issuing Banks by posting the Communications on IntraLinks™, DebtDomain, SyndTrak, ClearPar or any other electronic platform chosen by the Administrative Agent to be its electronic transmission system (the "Approved Electronic Platform").

(b) Although the Approved Electronic Platform and its primary web portal are secured with generally-applicable security procedures and policies implemented or modified by the Administrative Agent from time to time (including, as of the Seventh Amendment Effective Date, a user ID/password authorization system) and the Approved Electronic Platform is secured through a per-deal authorization method whereby each user may access the Approved Electronic Platform only on a deal-by-deal basis, each of the Lenders, each of the Issuing Banks and the Borrower acknowledges and agrees that the distribution of material through an electronic medium is not necessarily secure, that the Administrative Agent is not responsible for approving or vetting the representatives or contacts of any Lender that are added to the Approved Electronic Platform, and that there may be confidentiality and other risks associated with such distribution. Each of the Lenders, each of the Issuing Banks and the Borrower hereby approves distribution of the Communications through the Approved Electronic Platform and understands and assumes the risks of such distribution; provided that nothing contained in this Section 11.14 shall diminish the obligations of the Administrative Agent pursuant to Section 12.11.

(c) THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS ARE PROVIDED "AS IS" AND "AS AVAILABLE". THE APPLICABLE PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE COMMUNICATIONS, OR THE ADEQUACY OF THE APPROVED ELECTRONIC PLATFORM AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS OR OMISSIONS IN THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY THE APPLICABLE PARTIES IN CONNECTION WITH THE COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM. OTHER THAN WITH RESPECT TO A BREACH OF THE ADMINISTRATIVE AGENT'S OBLIGATIONS PURSUANT TO SECTION 12.11, IN NO EVENT SHALL THE ADMINISTRATIVE AGENT, ANY ARRANGER, ANY DOCUMENTATION AGENT, ANY SYNDICATION AGENT OR ANY OF THEIR RESPECTIVE RELATED PARTIES (COLLECTIVELY, "APPLICABLE PARTIES") HAVE ANY LIABILITY TO ANY LOAN PARTY, ANY LENDER, ANY ISSUING BANK OR ANY OTHER PERSON OR ENTITY FOR DAMAGES OF ANY KIND, INCLUDING DIRECT OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING SOLELY OUT OF ANY LOAN PARTY'S OR THE ADMINISTRATIVE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET OR THE APPROVED ELECTRONIC PLATFORM.

"Communications" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of any Loan Party pursuant to any Loan Document or the transactions contemplated therein which is distributed by the Administrative Agent, any Lender or any Issuing Bank by means of electronic communications pursuant to this Section, including through an Approved Electronic Platform.

(d) Each Lender and each Issuing Bank agrees that notice to it (as provided in the next sentence) specifying that Communications have been posted to the Approved Electronic Platform shall constitute effective delivery of the Communications to such Lender for purposes of the Loan Documents. Each Lender and Issuing Bank agrees (i) to notify the Administrative Agent in writing (which could be in the form of electronic communication) from time to time of such Lender's or Issuing Bank's (as applicable) email address to which the foregoing notice may be sent by electronic transmission and (ii) that the foregoing notice may be sent to such email address.

(e) Each of the Lenders, each of the Issuing Banks and the Borrower agrees that the Administrative Agent may, but (except as may be required by applicable law) shall not be obligated to, store the Communications on the Approved Electronic Platform in accordance with the Administrative Agent's generally applicable document retention procedures and policies.

(f) Nothing herein shall prejudice the right of the Administrative Agent, any Lender or any Issuing Bank to give any notice or other communication pursuant to any Loan Document in any other manner specified in such Loan Document.

ARTICLE XII
MISCELLANEOUS

Section 12.01 Notices.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone and subject to Section 12.01(b), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by fax or by electronic mail (with read-receipt or similar feature enabled), as follows:

(i) if to the Borrower, to it at 575 North Dairy Ashford, Suite 1200, Houston, Texas 77079, Attention of Chris Abundis (email REDACTED) and (y) Vinson & Elkins LLP at 1001 Fannin Street, Suite 2500, Houston, Texas 77002, Attention of James Longhofer (Fax No. 713-615-5590 and email jlonghofer@velaw.com);

(ii) if to the Administrative Agent, to it at 712 Main St, 5th Floor, Houston, TX 77002, Attention of Jo Linda Papadakis (Fax No. 713-216-7770) with a copy, which shall not constitute notice, to Simpson Thacher & Bartlett LLP at 600 Travis Street, Suite 5400, Houston, Texas 77002, Attention of Matthew Einbinder (Fax No. 713-821-5602);

(iii) if to the Issuing Bank, to it at 10 South Dearborn, Chicago, Illinois 60603-2003, Attention of Nanette Wilson (Fax No. 888-292-9533); and

(iv) if to any other Lender or Issuing Bank, to it at its address (or fax number) set forth in its Administrative Questionnaire.

(b) Notices and other communications to the Borrower, any Loan Party, the Lenders and the Issuing Banks hereunder may be delivered or furnished by using Approved Electronic Platforms or other electronic communications, in each case, pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Article II unless otherwise agreed by the Administrative Agent and the applicable party. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

(c) Any party hereto may change its address or fax number for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

Section 12.02 Waivers; Amendments.

(a) No failure on the part of the Administrative Agent, any Issuing Bank or any Lender to exercise and no delay in exercising, and no course of dealing with respect to, any right, power or privilege, or any abandonment or discontinuance of steps to enforce such right, power or privilege, under any of the Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under any of the Loan Documents preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies of the Administrative Agent, any Issuing Bank and the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or any other Loan Document or consent to any departure by any Loan Party therefrom shall in any event be effective unless the same shall be permitted by Section 12.02(b), and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default or Event of Default, regardless of whether the Administrative Agent, any Lender or any Issuing Bank may have had notice or knowledge of such Default or Event of Default at the time.

(b) Subject to Sections 3.03(c), 3.03(d) and 3.03(f) and 12.02(c) below, neither this Agreement nor any provision hereof nor any Loan Document nor any provision thereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into (x) by the Borrower and/or the other applicable Loan Parties and the Majority Lenders or (y) by the Borrower and/or the other applicable Loan Parties and the Administrative Agent with the consent of the Majority Lenders; provided that no such agreement shall:

(i) increase the Maximum Credit Amount of any Lender without the written consent of such Lender,

(ii) increase the Borrowing Base without the written consent of each Lender (other than any Defaulting Lender), or decrease or maintain the Borrowing Base without the consent of the Required Lenders; provided that a Scheduled Redetermination and the delivery of a Reserve Report may be postponed by the Majority Lenders; provided further that it is understood that any waiver (or amendment or modification that would have the effect of a waiver) of the right of the Required Lenders to adjust (through a reduction of) the Borrowing Base or the amount of such adjustment in the form of a reduction to the Borrowing Base pursuant to the Borrowing Base Adjustment Provisions in connection with the occurrence of a relevant event giving rise to such right shall require the consent of the Required Lenders,

(iii) reduce the principal amount of any Loan or LC Disbursement or reduce the stated rate of interest thereon, or reduce any fees payable hereunder, or reduce any other Secured Obligations hereunder or under any other Loan Document, without the written consent of each Lender directly and adversely affected thereby (except in connection with any amendment or waiver of the applicability of any post-default increase in interest rates, which shall be effective with the consent of Majority Lenders),

(iv) postpone the scheduled date of (A) payment or prepayment of the principal amount of any Loan or LC Disbursement, (B) any interest thereon, or (C) any fees payable hereunder, or any other Secured Obligations hereunder or under any other Loan Document, or reduce the amount of, waive or excuse any such payment, or postpone the Termination Date without the written consent of each Lender directly and adversely affected thereby,

(v) change Section 4.01(b) or Section 4.01(c) in a manner that would alter the *pro rata* sharing of payments required thereby, without the written consent of each Lender directly and adversely affected thereby,

(vi) waive or amend Section 10.02(c) without the written consent of each directly and adversely affected Lender; provided that any waiver or amendment to Section 10.02(c) or to this proviso in this Section 12.02(b)(vi), or any amendment or modification to any Security Instrument that results in the Secured Swap Agreement secured by such Security Instrument no longer being secured thereby on an equal and ratable basis with the principal of the Loans, or any amendment or other change to the definition of the terms "Secured Swap Agreement," or "Secured Swap Provider," which would result in an equivalent effect shall also require the written consent of each Secured Swap Provider adversely affected thereby,

(vii) release all or substantially all of the value of the guarantees provided by the Guarantors pursuant to the Loan Documents (other than as a result of a transaction permitted hereby), release all or substantially all of the Collateral (other than as provided in Section 11.10), without the written consent of each directly and adversely affected Lender (other than any Defaulting Lender), or

(viii) change any of the provisions of this Section 12.02(b) or the definitions of "Majority Lenders" or "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to waive, amend or modify any rights hereunder or under any other Loan Documents or grant any consent hereunder or any other Loan Documents, without the written consent of each directly and adversely affected Lender; provided, further, that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent or any Issuing Bank hereunder or under any other Loan Document without the prior written consent of the Administrative Agent or Issuing Bank, as the case may be. Notwithstanding the foregoing, any supplement to any Schedule shall be effective simply by delivering to the Administrative Agent a supplemental schedule clearly marked as such and, upon receipt, the Administrative Agent will promptly deliver a copy thereof to the Lenders.

(c) Notwithstanding anything to the contrary contained in the Loan Documents, the Administrative Agent and the Borrower, may amend, modify or supplement any Loan Document without the consent of any Lender in order to (i) correct, amend, cure or resolve any ambiguity, omission, defect, typographical error, inconsistency or other manifest error therein, (ii) add a guarantor or collateral or otherwise enhance the rights and benefits of the Lenders, (iii) make administrative or operational changes not adverse to any Lender or (iv) adhere to any local Governmental Requirement or advice of local counsel.

(d) Notwithstanding anything to the contrary contained in any Loan Documents, the Commitment of any Defaulting Lender may not be increased without its consent (it being understood, for avoidance of doubt, that no Defaulting Lender shall have any right to approve or disapprove any increase, decrease or reaffirmation of the Borrowing Base) and the Administrative Agent may with the consent of the Borrower amend, modify or supplement the Loan Documents to effectuate an increase to the Borrowing Base where such Defaulting Lender does not consent to an increase to its Commitment, including not increasing the Borrowing Base by the portion thereof applicable to the Defaulting Lender.

Section 12.03 Expenses, Indemnity; Limitation of Liability.

(a) The Borrower shall pay (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of counsel and other outside consultants for the Administrative Agent (provided that counsel shall be limited to (x) one (1) counsel to such Persons, taken as a whole, one (1) local counsel in each relevant jurisdiction and one (1) regulatory counsel to all such Persons with respect to a relevant regulatory matter, taken as a whole, (y), solely in the event of a conflict of interest, one (1) additional counsel (and, if necessary, one (1) regulatory counsel and one (1) local counsel in each relevant jurisdiction or for each matter) to each group of similarly situated affected indemnified persons and (z) other counsel consented to by the Borrower (such consent not to be unreasonably withheld, delayed or conditioned)), the reasonable travel, photocopy, mailing, courier, telephone and other similar expenses, and the cost of environmental invasive and non-invasive assessments and audits and surveys and appraisals, in connection with the syndication of this Agreement, the preparation, negotiation, execution, delivery and administration (both before and after the execution hereof and including advice of counsel to the Administrative Agent as to the rights and duties of the Administrative Agent and the Lenders with respect thereto) of this Agreement and the other Loan Documents and any amendments, modifications or waivers of or consents related to the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all costs, expenses, taxes, assessments and other charges incurred by the Administrative Agent or any Lender in connection with any filing, registration, recording or perfection of any security interest contemplated by this Agreement or any Security Instrument or any other document referred to therein or conducting of title reviews, mortgage matches and collateral reviews, (iii) all reasonable and documented out-of-pocket expenses incurred by the Issuing Bank in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder, (iv) all out-of-pocket expenses incurred by the Administrative Agent, the Issuing Bank or any Lender, including the fees, charges and disbursements of any counsel for the Administrative Agent, the Issuing Bank or any Lender, in connection with the enforcement or protection of its rights in connection with this Agreement or any other Loan Document, including its rights under this Section 12.03, or in connection with the Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) The Borrower shall and shall cause each Loan Party to indemnify the Administrative Agent, the Arranger, the Issuing Bank and each Lender, and each Related Party of any of the foregoing persons (each such person being called an "Indemnitee") against, and defend and hold each Indemnitee harmless from, any and all losses, claims, damages, penalties, liabilities and related expenses, including the fees, charges and disbursements of any counsel for any Indemnitee (provided that counsel shall be limited to (x) one (1) counsel to such Indemnitees, taken as a whole, one (1) local counsel in each relevant jurisdiction and one (1) regulatory counsel to all such Indemnitees with respect to a relevant regulatory matter, taken as a whole, (y), solely in the event of a conflict of interest, one (1) additional counsel (and, if necessary, one (1) regulatory counsel and one (1) local counsel in each relevant jurisdiction or for each matter) to each group of similarly situated affected Indemnitees and (z) other counsel consented to by the Borrower (such consent not to be unreasonably withheld, delayed or conditioned)), incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of, and any enforcement against the Borrower or any other Group Member of any rights under this Agreement or any other Loan Document or any Agreement or instrument contemplated hereby or thereby, (ii) the performance by the Parties hereto or the parties to any other Loan Document of their respective obligations hereunder or thereunder of the consummation of the transactions contemplated hereby or by any other Loan Document, (iii) the failure of the Borrower or any other Group Member to comply with the terms of any Loan Document, including this Agreement, or with any Governmental Requirement, (iv) any inaccuracy of any representation or any breach of any warranty or covenant of the Borrower or any other Group Members set forth in any of the Loan Documents or any instruments, documents or certifications delivered in connection therewith, (v) any loan or Letter of Credit or the use of the proceeds therefrom, including (A) any refusal by an Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not comply with the terms of such Letter of Credit, or (B) the payment of a drawing under any Letter of Credit notwithstanding the non-compliance, non-delivery or other improper presentation of the documents presented in connection therewith, (vi) any other aspect of the Loan Documents, (vii) the operations of the business of the Borrower or any other Group Member by such persons, (viii) any assertion that the lenders were not entitled to receive the proceeds received pursuant to the Security Instruments, (ix) any actual or alleged presence or release of Hazardous Materials or any liability under Environmental Law related to the Borrower or any other Group Member, (x) the past ownership by the Borrower or any other Group Member of any of their Properties or past activity on any of their Properties which, though lawful and fully permissible at the time, could result in present liability or (xi) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by any Loan Party, and regardless of whether any Indemnitee is a party thereto, and such indemnity shall extend to each Indemnitee **notwithstanding the sole or concurrent negligence of every kind or character whatsoever, whether active or passive, whether an affirmative act or an omission, including all types of negligent conduct identified in the restatement (second) of torts of one or more of the Indemnitees or by reason of strict liability imposed without fault on any one or more of the Indemnitees including ordinary negligence**; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have directly resulted from (A) the gross negligence, willful misconduct or bad faith of such Indemnitee, (B) a material breach by such Indemnitee of its obligations under this Agreement at a time when the Borrower has not breached its obligations hereunder in any material respect or (C) a dispute solely among Indemnitees (other than a proceeding against any Indemnitee in its capacity or in fulfilling its role as Arranger, Administrative Agent, Bookrunner, Lender or any other similar role in connection with this Agreement) not arising out of any act or omission on the part of the Borrower or its affiliates. without limiting the foregoing, and to the extent permitted by applicable law, the Borrower shall not, and shall cause each Group Member not to, assert and hereby waives and agrees to cause each Group Member to waive, all rights for contribution or any other rights of recovery with respect to all claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature, under or related to Environmental Laws, that any of them may have by statute or otherwise against any Indemnitee. This Section 12.03(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) To the extent that the Borrower fails to pay any amount required to be paid by it to the Administrative Agent, the Arranger or the Issuing Bank under Section 12.03(a) or Section 12.03(b), each Lender severally agrees to pay to the Administrative Agent, the Arranger or the Issuing Bank, as the case may be, such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount; provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent, the Arranger or the Issuing Bank in its capacity as such.

(d) To the extent permitted by applicable law, (i) none of the Administrative Agent, the Arranger, the Issuing Bank, any Lender or any Related Party of any of the foregoing Persons (each such person being called a "Lender-Related Person") shall be liable for any damages arising from the use by others of any information or other materials obtained through IntraLinks or other similar information transmission systems in connection with this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the Transactions, any Loan or Letter of Credit or the use of the proceeds thereof whether occurring on, prior to or after the Closing Date and (ii) no party hereto shall, and the Borrower shall cause each Group Member not to, assert, and hereby waives, and the Borrower agrees to cause each Group Member to waive, any claim against any other party hereto and any Lender-Related Person on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the Transactions, any Loan or Letter of Credit or the use of the proceeds thereof whether occurring on, prior to or after the Closing Date; provided that, nothing in this Section 12.03(d) shall relieve (x) the Borrower of any obligation it may have to indemnify an Indemnitee against special, indirect, consequential or punitive damages asserted against such Indemnitee by a third party or (y) any Lender of its obligations under Section 12.03(c).

(e) All amounts due under this Section 12.03 shall be payable not later than 10 days after written demand therefor.

Section 12.04 Successors and Assigns.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Bank that issues any Letter of Credit), except that (i) the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 12.04. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Bank that issues any Letter of Credit), Participants (to the extent provided in Section 12.04(c)) and, to the extent expressly contemplated herein, the Related Parties of each of the Administrative Agent, any Issuing Bank, the Lenders and the other Secured Parties) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in Section 12.04(b)(ii), any Lender may assign to one or more assignees (each, an "Assignee") all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld) of:

(A) the Borrower; provided that no consent of the Borrower shall be required for an assignment to a Lender, an Affiliate of a Lender, an Approved Fund, or, if an Event of Default has occurred and is continuing, to any Assignee; and

(B) the Administrative Agent and each Issuing Bank; provided that no consent of the Administrative Agent shall be required for an assignment to a Lender or an Affiliate of a Lender.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than $5,000,000 (and shall be in increments of $1,000,000 in excess thereof) unless each of the Borrower and the Administrative Agent otherwise consent, provided that no such consent of the Borrower shall be required if an Event of Default has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent (x) an Assignment and Assumption or (y) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and the parties to the Assignment and Assumption are participants, together with a processing and recordation fee of $3,500 and the assignor shall have paid (or another Person shall have paid on its behalf) in full any amounts owing by it to the Administrative Agent and any Issuing Bank;

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire; and

(E) the assignee must not be a natural person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural Person), a Defaulting Lender or an Affiliate or a Subsidiary of the Borrower or any other Loan Party.

(iii) Subject to Section 12.04(b)(iv) and the acceptance and recording thereof, from and after the effective date specified in each Assignment and Assumption, the Assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Section 5.01, Section 5.02, Section 5.03 and Section 12.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 12.04 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 12.04(c).

(iv) The Administrative Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Maximum Credit Amount of, and principal amount of (and stated interest on) the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent, the Issuing Bank(s) and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower, any Issuing Bank and any Lender, at any reasonable time and from time to time upon reasonable prior notice. In connection with any changes to the Register, if necessary, the Administrative Agent will reflect the revisions on Annex I and, at its election, forward a copy of such revised Annex I to the Borrower, each Issuing Bank and each Lender.

(v) Upon its receipt of (x) a duly completed Assignment and Assumption executed by an assigning Lender and an Assignee or (y) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and the parties to the Assignment and Assumption are participants, the Assignee's completed Administrative Questionnaire and, as required by Section 5.03(g), applicable tax forms or certifications (taking into account whether the Assignee shall already be a Lender hereunder and shall have provided the required tax forms and certifications), the processing and recordation fee referred to in this Section 12.04(b) and any written consent to such assignment required by this Section 12.04(b), the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this Section 12.04(b).

(c) Any Lender may, without the consent of, or notice to, the Borrower, the Administrative Agent or the Issuing Bank, sell participations to one or more banks or other entities (other than the Borrower, any Affiliate of the Borrower or any natural person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural Person)) (a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) the Borrower, the Administrative Agent, the Issuing Bank and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement and (iv) such Lender shall continue to give prompt attention to and process (including, if required, through discussions with Participants) requests for waivers or amendments hereunder. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Participant may have consent rights with respect to any amendment, modification or waiver described in clauses (i), (iii), (iv), (v), (vi) and (vii) of the proviso to Section 12.02(b) that affects such Participant and for which such Lender would have consent rights. In addition such agreement must provide that the Participant be bound by the provisions of Section 12.03. The Borrower agrees that each Participant shall be entitled to the benefits of Section 5.01, Section 5.02 and Section 5.03 (subject to the requirements and limitations therein, including the requirements under Section 5.03(g) (it being understood that the documentation required under Section 5.03(g) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section 12.04; provided that such Participant (A) agrees to be subject to the provisions of Section 5.02 and Section 5.03 as if it were an assignee under paragraph (b) of this Section 12.04 and (B) shall not be entitled to receive any greater payment under Section 5.02 or Section 5.03, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from an adoption of or any change in any law or in the interpretation or application thereof or compliance by any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority made subsequent to the date hereof that occurs after the Participant acquired the applicable participation. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 12.08 as though it were a Lender, provided such Participant agrees to be subject to Section 4.01(c) as though it were a Lender. Each Lender that sells a participation, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain a register on which it enters the name and address of each Participant and the principal amounts of (and stated interest on) each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans, Letters of Credit or its other obligations under any Loan Document) except to the extent that such disclosure is necessary to establish that such Commitment, Loan, Letter of Credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(d) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or any central bank having jurisdiction over such Lender, and this Section 12.04(d) shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or Assignee for such Lender as a party hereto. The Borrower, upon receipt of written notice from the relevant Lender, agrees to issues Notes to any Lender requiring Notes to facilitate transactions described in this Section 12.04(d) in accordance with Section 2.02(d) or as the Borrower may otherwise consent (such consent not to be unreasonably withheld or delayed).

(e) Notwithstanding any other provisions of this Section 12.04, no transfer or assignment of the interests or obligations of any Lender or any grant of participations therein shall be permitted if such transfer, assignment or grant would require the Borrower and the other Loan Parties to file a registration statement with the SEC or to qualify the Loans under the "Blue Sky" laws of any state.

(f) Notwithstanding anything in this Agreement or the other Loan Documents to the contrary, Affiliated Lenders will not receive information provided solely to the Lenders by the Administrative Agent (except to the extent such information or materials have been made available to any Loan Party) or any Lender and will not be permitted to attend or participate in meetings or conference calls attended solely by the Lenders and the Administrative Agent, other than the right to receive notices of prepayments and other administrative notices in respect of its Loans or Commitments required to be delivered pursuant to Article II.

(g) Notwithstanding anything in Section 12.02, the definition of "Majority Lenders" or the definition of "Required Lenders" to the contrary, for purposes of determining whether the Majority Lenders or Required Lenders have (i) consented (or not consented) to any amendment, modification, waiver, consent or other action with respect to any of the terms of any Loan Document or any departure by any Loan Party therefrom, or subject to Section 12.04(h), any plan of reorganization pursuant to the Bankruptcy Code, (ii) otherwise acted on any matter related to any Loan Document, or (iii) directed or required the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) with respect to or under any Loan Document, no Affiliated Lender shall have any right to consent (or not consent), otherwise act or direct or require the Administrative Agent or any Lender to take (or refrain from taking) any such action and all Loans held by any Affiliated Lenders shall be deemed to be not outstanding for all purposes of calculating whether the Majority Lenders, the Required Lenders or all Lenders, as the case may be, have taken any action unless the action in question effects such Affiliated Lender in a disproportionately adverse manner compared to its effect on other Lenders.

(h) Notwithstanding anything in this Agreement or the other Loan Documents to the contrary, each Affiliated Lender hereby agrees that if a proceeding under the Bankruptcy Code shall be commenced by or against the Borrower or any other Loan Party at a time when such Lender is an Affiliated Lender, such Affiliated Lender irrevocably authorizes and empowers the Administrative Agent to vote on behalf of such Affiliated Lender with respect to the Loans held by such Affiliated Lender in any manner in the Administrative Agent's sole discretion, unless the Administrative Agent instructs such Affiliated Lender to vote, in which case such Affiliated Lender shall vote with respect to the Loans held by it as the Administrative Agent directs; provided that such Affiliated Lender shall be entitled to vote in accordance with its sole discretion (and not in accordance with the direction of the Administrative Agent) in connection with any plan of reorganization to the extent any such plan of reorganization proposes to treat any Secured Obligations held by such Affiliated Lender in a disproportionately adverse manner to such Affiliated Lender compared to the proposed treatment of similar Secured Obligations held by Lenders that are not Affiliated Lenders.

Section 12.05 Survival; Revival; Reinstatement.

(a) All covenants, agreements, representations and warranties made by the Loan Parties herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the other Loan Documents and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, any Issuing Bank or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect until Payment in Full. The provisions of Article III, Section 5.01, Section 5.02, Section 5.03 and Section 12.03 and Article XI shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Letters of Credit and the Commitments or the termination of this Agreement, any other Loan Document or any provision hereof or thereof.

(b) To the extent that any payments on the Secured Obligations or proceeds of any collateral are subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, debtor in possession, receiver or other Person under any bankruptcy law, common law or equitable cause, then to such extent, the Secured Obligations shall be revived and continue as if such payment or proceeds had not been received and the Administrative Agent's and the Lenders' Liens, security interests, rights, powers and remedies under this Agreement and each Loan Document shall continue in full force and effect. In such event, each Loan Document shall be automatically reinstated and the Borrower shall, and shall cause each other Loan Party to, take any action requested by the Administrative Agent and the Lenders to effect such reinstatement.

Section 12.06 Counterparts; Integration; Effectiveness.

(a) This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of a signature page of (x) this Agreement, (y) any other Loan Document and/or (z) any document, amendment, approval, consent, information, notice (including, for the avoidance of doubt, any notice delivered pursuant to Section 12.01), certificate, request, statement, disclosure or authorization related to this Agreement, any other Loan Document and/or the transactions contemplated hereby and/or thereby (each an "Ancillary Document") that is an Electronic Signature transmitted by telecopy, emailed .pdf or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement, such other Loan Document or such Ancillary Document, as applicable. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement, any other Loan Document and/or any Ancillary Document shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed .pdf or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be; provided that nothing herein shall require the Administrative Agent to accept Electronic Signatures in any form or format without its prior written consent and pursuant to procedures approved by it; provided, further, without limiting the foregoing, (i) to the extent the Administrative Agent has agreed to accept any Electronic Signature, the Administrative Agent and each of the Lenders shall be entitled to rely on such Electronic Signature purportedly given by or on behalf of the Borrower or any other Loan Party without further verification thereof and without any obligation to review the appearance or form of any such Electronic signature and (ii) upon the request of the Administrative Agent or any Lender, any Electronic Signature shall be promptly followed by a manually executed counterpart. Without limiting the generality of the foregoing, the Borrower and each Loan Party hereby (i) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Administrative Agent, the Lenders, the Borrower and the Loan Parties, Electronic Signatures transmitted by telecopy, emailed .pdf or any other electronic means that reproduces an image of an actual executed signature page and/or any electronic images of this Agreement, any other Loan Document and/or any Ancillary Document shall have the same legal effect, validity and enforceability as any paper original, (ii) the Administrative Agent and each of the Lenders may, at its option, create one or more copies of this Agreement, any other Loan Document and/or any Ancillary Document in the form of an imaged electronic record in any format, which shall be deemed created in the ordinary course of such Person's business, and destroy the original paper document (and all such electronic records shall be considered an original for all purposes and shall have the same legal effect, validity and enforceability as a paper record), (iii) waives any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement, any other Loan Document and/or any Ancillary Document based solely on the lack of paper original copies of this Agreement, such other Loan Document and/or such Ancillary Document, respectively, including with respect to any signature pages thereto and (iv) waives any claim against any Lender-Related Person for any losses, claims, damages, penalties, liabilities and related expenses arising solely from the Administrative Agent's and/or any Lender's reliance on or use of Electronic Signatures and/or transmissions by telecopy, emailed .pdf or any other electronic means that reproduces an image of an actual executed signature page, including any losses, claims, damages, penalties, liabilities and related expenses arising as a result of the failure of the Borrower and/or any Loan Party to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

(b) This Agreement, the other Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and thereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof and thereof. **THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND THERETO AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.**

(c) Except as provided in Section 6.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by telecopy, facsimile or other similar electronic means shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 12.07 Severability. Any provision of this Agreement or any other Loan Document held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof or thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 12.08 Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other obligations (of whatsoever kind, including obligations under Swap Agreements) at any time owing by such Lender or Affiliate to or for the credit or the account of the Borrower or any other Group Member against any of and all the obligations of the Borrower or any other Group Member owed to such Lender now or hereafter existing under this Agreement or any other Loan Document, irrespective of whether or not such Lender shall have made any demand under this Agreement or any other Loan Document and although such obligations may be unmatured; provided that to the extent prohibited by applicable law as described in the definition of "Excluded Swap Obligation," no amounts received from, or set off with respect to, any Guarantor shall be applied to any Excluded Swap Obligations of such Guarantor. The rights of each Lender under this Section 12.08 are in addition to other rights and remedies (including other rights of setoff) which such Lender or its Affiliates may have; provided that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 10.02(c) and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, Issuing Bank(s) and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Secured Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, Issuing Bank(s) and their respective Affiliates under this Section 12.08 are in addition to other rights and remedies (including other rights of setoff) that such Lender, Issuing Bank(s) or their respective Affiliates may have. Each Lender and Issuing Bank agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application; provided that the failure to give such notice shall not affect the validity of such setoff and application.

Section 12.09 GOVERNING LAW; JURISDICTION; CONSENT TO SERVICE OF PROCESS; WAIVER OF JURY TRIAL.

(a) THIS AGREEMENT, THE NOTES AND THE LOAN DOCUMENTS SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

(b) EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS (AND THE BORROWER SHALL CAUSE EACH GROUP MEMBER TO SUBMIT) FOR ITSELF AND ITS PROPERTY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS TO WHICH IT IS A PARTY, OR FOR RECOGNITION AND ENFORCEMENT OF ANY JUDGMENT IN RESPECT THEREOF, TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT; PROVIDED, THAT NOTHING CONTAINED HEREIN OR IN ANY OTHER LOAN DOCUMENT WILL PREVENT ANY PARTY FROM BRINGING ANY ACTION TO ENFORCE ANY AWARD OR JUDGMENT OR EXERCISE ANY RIGHT UNDER THE LOAN DOCUMENTS IN ANY OTHER FORUM IN WHICH JURISDICTION CAN BE ESTABLISHED. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM *NON CONVENIENS*, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY SUCH ACTION OR PROCEEDING IN SUCH RESPECTIVE JURISDICTIONS.

(c) EACH PARTY HEREBY (i) IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN; (ii) IRREVOCABLY WAIVES, TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY SUCH LITIGATION ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, OR DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES; (iii) CERTIFIES THAT NO PARTY HERETO NOR ANY REPRESENTATIVE OR AGENT OF COUNSEL FOR ANY PARTY HERETO HAS REPRESENTED, EXPRESSLY OR OTHERWISE, OR IMPLIED THAT SUCH PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVERS, AND (iv) ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT, THE LOAN DOCUMENTS AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS CONTAINED IN THIS SECTION 12.09.

(d) EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY agrees that (I) service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to Holdings or the Borrower, as the case may be at its address set forth in Section 12.01 or at such other address of which the Administrative Agent shall have been notified pursuant thereto AND (II) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law.

Section 12.10 Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 12.11 Confidentiality. Each of the Administrative Agent and each Lender agrees to keep confidential all non-public information provided to it by any Loan Party, the Administrative Agent or any Lender pursuant to or in connection with this Agreement that is designated by the provider thereof as confidential; provided that nothing herein shall prevent the Administrative Agent or any Lender from disclosing any such information (a) to the Administrative Agent, any other Lender or any affiliate thereof, (b) subject to an agreement to comply with the provisions of this Section 12.11, to any actual or prospective Transferee or any direct or indirect counterparty to any Swap Agreement (or any professional advisor to such counterparty), (c) to its employees, directors, agents, attorneys, accountants and other professional advisors or those of any of its affiliates, (d) upon the request or demand of any Governmental Authority, (e) in response to any order of any court or other Governmental Authority or as may otherwise be required pursuant to any Governmental Requirement, (f) if requested or required to do so in connection with any litigation or similar proceeding, (g) that has been publicly disclosed, (h) to the National Association of Insurance Commissioners or any similar organization or any nationally recognized rating agency that requires access to information about a Lender's investment portfolio in connection with ratings issued with respect to such Lender, (i) in connection with the exercise of any remedy hereunder or under any other Loan Document, (j) to the extent such Information (i) becomes publically available other than as a result of a breach of this Section 12.11 or (ii) becomes available to the Administrative Agent, the Issuing Bank or any Lender on a nonconfidential basis from a source other than the Borrower or (k) if agreed by the Borrower in its sole discretion by any other Person. "Information" means all written information received from the Borrower relating to the Borrower or its business, other than any such information that is available to the Administrative Agent, any Issuing Bank or any Lender on a non-confidential basis prior to disclosure by the Borrower and other than information pertaining to this Agreement routinely provided by arrangers to data service providers, including league table providers, that serve the lending industry; provided that in the case of information received from the Borrower after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section 12.11 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Each Lender acknowledges that information furnished to it pursuant to this Agreement or the other Loan Documents may include material non-public information concerning the Borrower and its Affiliates and their related parties or their respective securities, and confirms that it has developed compliance procedures regarding the use of material non-public information and that it will handle such material non-public information in accordance with those procedures and applicable law, including Federal and state securities laws.

All information, including requests for waivers and amendments, furnished by the Borrower or the Administrative Agent pursuant to, or in the course of administering, this Agreement or the other Loan Documents will be syndicate-level information, which may contain material non-public information about the Borrower and its Affiliates and their related parties or their respective securities. Accordingly, each Lender represents to the Borrower and the Administrative Agent that it has identified in its Administrative Questionnaire a credit contact who may receive information that may contain material non-public information in accordance with its compliance procedures and applicable law, including Federal and state securities laws.

Section 12.12 Interest Rate Limitation. It is the intention of the parties hereto that each Lender shall conform strictly to usury laws applicable to it. Accordingly, if the transactions contemplated hereby would be usurious as to any Lender under laws applicable to it (including the laws of the United States of America and the State of Texas or any other jurisdiction whose laws may be mandatorily applicable to such Lender notwithstanding the other provisions of this Agreement), then, in that event, notwithstanding anything to the contrary in any of the Loan Documents or any agreement entered into in connection with or as security for the Notes and other Secured Obligations arising under the Loan Documents, it is agreed as follows: (a) the aggregate of all consideration which constitutes interest under law applicable to any Lender that is contracted for, taken, reserved, charged or received by such Lender under any of the Loan Documents or agreements or otherwise in connection with the Loans or Notes shall under no circumstances exceed the maximum amount allowed by such applicable law, and any excess shall be canceled automatically and if theretofore paid shall be credited by such Lender on the principal amount of the Secured Obligations (or, to the extent that the principal amount of the Secured Obligations shall have been or would thereby be paid in full, refunded by such Lender to the Borrower); and (b) in the event that the maturity of the Loans or Notes is accelerated by reason of an election of the holder thereof resulting from any Event of Default under this Agreement or otherwise, or in the event of any required or permitted prepayment, then such consideration that constitutes interest under law applicable to any Lender may never include more than the maximum amount allowed by such applicable law, and excess interest, if any, provided for in this Agreement or otherwise shall be canceled automatically by such Lender as of the date of such acceleration or prepayment and, if theretofore paid, shall be credited by such Lender on the principal amount of the Secured Obligations (or, to the extent that the principal amount of the Secured Obligations shall have been or would thereby be paid in full, refunded by such Lender to the Borrower). All sums paid or agreed to be paid to any Lender for the use, forbearance or detention of sums due hereunder shall, to the extent permitted by law applicable to such Lender, be amortized, prorated, allocated and spread throughout the stated term of the Loans until payment in full so that the rate or amount of interest on account of any Loans hereunder does not exceed the maximum amount allowed by such applicable law. If at any time and from time to time (i) the amount of interest payable to any Lender on any date shall be computed at the Highest Lawful Rate applicable to such Lender pursuant to this Section 12.12 and (ii) in respect of any subsequent interest computation period the amount of interest otherwise payable to such Lender would be less than the amount of interest payable to such Lender computed at the Highest Lawful Rate applicable to such Lender, then the amount of interest payable to such Lender in respect of such subsequent interest computation period shall continue to be computed at the Highest Lawful Rate applicable to such Lender until the total amount of interest payable to such Lender shall equal the total amount of interest which would have been payable to such Lender if the total amount of interest had been computed without giving effect to this Section 12.12. To the extent that Chapter 303 of the Texas Finance Code is relevant for the purpose of determining the Highest Lawful Rate applicable to a Lender, such Lender elects to determine the applicable rate ceiling under such Chapter by the weekly ceiling from time to time in effect. Chapter 346 of the Texas Finance Code does not apply to the Borrower's obligations hereunder.

Section 12.13 Collateral Matters; Swap Agreements. The benefit of the Security Instruments and of the provisions of this Agreement relating to any collateral securing the Secured Obligations shall also extend to and be available to the Secured Swap Providers in respect of the Secured Swap Agreements as set forth herein. Except as set forth in Section 12.02(b)(vi), no Lender or any Affiliate of a Lender shall have any voting rights under any Loan Document as a result of the existence of obligations owed to it under any such Swap Agreements.

Section 12.14 No Third Party Beneficiaries. This Agreement, the other Loan Documents, and the agreement of the Lenders to make Loans and any Issuing Bank to issue, amend, renew or extend Letters of Credit hereunder are solely for the benefit of the Borrower, and no other Person (including any other Loan Party of the Borrower, any obligor, contractor, subcontractor, supplier or materialsman) shall have any rights, claims, remedies or privileges hereunder or under any other Loan Document against the Administrative Agent, any Issuing Bank or any Lender for any reason whatsoever. There are no third party beneficiaries.

Section 12.15 EXCULPATION PROVISIONS. Each of the parties hereto hereby acknowledges and agrees that (a) no fiduciary, advisory or agency relationship between the Loan Parties and the Credit Parties is intended to be or has been created in respect of any of the transactions contemplated by this Agreement or the other Loan Documents, irrespective of whether the Credit Parties have advised or are advising the Loan Parties on other matters, and the relationship between the Credit Parties, on the one hand, and the Loan Parties, on the other hand, in connection herewith and therewith is solely that of creditor and debtor, (b) the Credit Parties, on the one hand, and the Loan Parties, on the other hand, have an arm's length business relationship that does not directly or indirectly give rise to, nor do the Loan Parties rely on, any fiduciary duty to the Loan Parties or their affiliates on the part of the Credit Parties, (c) the Loan Parties are capable of evaluating and understanding, and the Loan Parties understand and accept, the terms, risks and conditions of the transactions contemplated by this Agreement and the other Loan Documents, (d) the Loan Parties have been advised that the Credit Parties are engaged in a broad range of transactions that may involve interests that differ from the Loan Parties' interests and that the Credit Parties have no obligation to disclose such interests and transactions to the Loan Parties, (e) the Loan Parties have consulted their own legal, accounting, regulatory and tax advisors to the extent the Loan Parties have deemed appropriate in the negotiation, execution and delivery of this Agreement and the other Loan Documents, (f) each Credit Party has been, is, and will be acting solely as a principal and, except as otherwise expressly agreed in writing by it and the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Loan Parties, any of their affiliates or any other Person, (g) none of the Credit Parties has any obligation to the Loan Parties or their affiliates with respect to the transactions contemplated by this Agreement or the other Loan Documents except those obligations expressly set forth herein or therein or in any other express writing executed and delivered by such Credit Party and the Loan Parties or any such affiliate and (h) no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby among the Credit Parties or among the Loan Parties and the Credit Parties. EACH PARTY HERETO AGREES AND COVENANTS THAT IT WILL NOT CONTEST THE VALIDITY OR ENFORCEABILITY OF ANY EXCULPATORY PROVISION OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS ON THE BASIS THAT THE PARTY HAD NO NOTICE OR KNOWLEDGE OF SUCH PROVISION OR THAT THE PROVISION IS NOT "CONSPICUOUS."

Section 12.16 Patriot Act Notice. Each Lender hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify and record information that identifies the Borrower and other Loan Parties, which information includes the name and address of the Borrower and other Loan Parties and other information that will allow such Lender to identify the Borrower and other Loan Parties in accordance with the Patriot Act.

Section 12.17 Flood Insurance Provisions. Notwithstanding any provision in this Agreement or any other Loan Document to the contrary, in no event is any Building (as defined in the applicable Flood Insurance Regulation) or Manufactured (Mobile) Home (as defined in the applicable Flood Insurance Regulation) included in the definition of "Mortgaged Property" and no Building or Manufactured (Mobile) Home is hereby encumbered by this Agreement or any other Loan Document.

Section 12.18 Releases.

(a) Release Upon Payment in Full. Upon Payment in Full, the Administrative Agent, at the written request and expense of the Borrower, will promptly release, reassign and transfer the Collateral to the Loan Parties.

(b) Further Assurances. If any of the Collateral shall be sold, transferred or otherwise disposed of by any Group Member in a transaction permitted by the Loan Documents and such Collateral shall no longer constitute or be required to be Collateral under the Loan Documents, then the Administrative Agent, at the request and sole expense of the Borrower and the applicable Group Member, shall promptly execute and deliver to such Group Member all releases or other documents reasonably necessary or desirable for the release of the Liens created by the applicable Security Instrument on such Collateral; provided that the Borrower shall have delivered to the Administrative Agent, at least five (5) Business Days prior to the date of the proposed release (or such other time period as the Administrative Agent may agree), a written request for release identifying the relevant Group Member, together with a certification by the Borrower stating (x) that such transaction is in compliance with this Agreement and the other Loan Documents (y) the Borrower has complied with its obligations under Section 8.01(n)(i), if applicable and (z) no Collateral other than the Collateral required to be released is being released. At the request and sole expense of the Borrower, a Group Member shall be released from its obligations under the Loan Documents in the event that all the capital stock or other Equity Interests of such Group Member shall be sold, transferred or otherwise disposed of in a transaction permitted by the Loan Documents and such Equity Interests shall no longer constitute or be required to be Collateral under the Loan Documents; provided that the Borrower shall have delivered to the Administrative Agent, at least five (5) Business Days prior to the date of the proposed release (or such other time period as the Administrative Agent may agree), a written request for release identifying the relevant Group Member, together with a certification by the Borrower stating (x) that such transaction is in compliance with this Agreement and the other Loan Documents and the Borrower has complied with its obligations under Section 8.01(n)(i), if applicable, and (y) no Collateral other than the Collateral required to be released is being released.

Section 12.19 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document may be subject to the Write-Down and Conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion powers of the applicable Resolution Authority.

Section 12.20 Amendment and Restatement. This Agreement amends and restates in its entirety the Existing Credit Agreement, and from and after the date hereof, the terms and provisions of the Existing Credit Agreement shall be superseded by the terms and provisions of this Agreement, and this Agreement is not a new or substitute credit agreement or novation of the Existing Credit Agreement. The Borrower and each Guarantor hereby agrees that all Liens securing the "Secured Obligations" (as defined in the Existing Credit Agreement) shall continue in full force and effect to secure the Secured Obligations. Concurrently with the occurrence of the Closing Date, (a) the parties hereto acknowledge and agree that the Liens created by the mortgages and deeds of trust securing the Existing Credit Agreement and the Security Instruments (as defined in the Existing Credit Agreement) shall be carried forward to secure the Secured Obligations and evidenced by the Security Instruments and have not been released or impaired in any way, (b) the Administrative Agent, in its capacity as administrative agent under the Existing Credit Agreement and as holder, mortgagee or beneficiary of the collateral under or pursuant to the Loan Documents (as defined in the Existing Credit Agreement) hereby assigns, transfers and conveys to the Administrative Agent, without recourse or warranty, all Liens granted to it in connection with the Existing Credit Agreement, (c) the Security Instruments, which are being amended and restated on the Closing Date and all other ancillary documents executed in connection with such Security Instruments shall supersede and replace in their entirety each such Security Instrument (as defined in the Existing Credit Agreement) as in effect immediately prior to such amendment and restatement and all ancillary documents executed in connection therewith and all such superseded agreements and ancillary documents shall be of no further force and effect and (d) the Existing Letters of Credit shall be deemed issued under this Agreement.

Section 12.21 Acknowledgement Regarding Any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Swap Agreements or any other agreement or instrument that is a QFC (such support "QFC Credit Support" and each such QFC a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

EXHIBIT B

[FORM OF] BORROWING REQUEST

[ ], 20[ ]

SilverBow Resources, Inc., a Delaware corporation (the "Borrower"), pursuant to Section 2.03 of the First Amended and Restated Senior Secured Revolving Credit Agreement, dated as of April 19, 2017 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, JPMorgan Chase Bank, N.A., as Administrative Agent, and the other parties and lenders which are or become parties thereto, hereby requests a Borrowing as set forth below. Unless otherwise defined herein, each capitalized term used herein has the meaning assigned to it in the Credit Agreement.

(i) aggregate amount of the requested Borrowing is $[ ];

(ii) date of such Borrowing is [ ], 20[ ][1];

(iii) requested Borrowing is to be [an ABR Borrowing] [a Term Benchmark Borrowing][an RFR Borrowing];

(iv) in the case of a Term Benchmark Borrowing, the initial Interest Period applicable thereto is [ ][2]; and

(v) location and number of the Borrower's account to which funds are to be disbursed, which shall comply with the requirements of Section 2.05 of the Credit Agreement, is as follows:

[_____]
[_____]
[_____]
[_____]
[_____].

[*Signature page follows*.]

[1] Which shall be a Business Day.

[2] Which shall be a period contemplated by the definition of "Interest Period."

The undersigned certifies that he/she is a Responsible Officer of the Borrower, and that as such he/she is authorized to execute this certificate on behalf of the Borrower. The undersigned in his/her capacity as a Responsible Officer of the Borrower, and not in an individual capacity, further certifies, represents and warrants on behalf of the Borrower that the Borrower is entitled to receive the requested Borrowing under the terms and conditions of the Credit Agreement.

SILVERBOW RESOURCES, INC.,
a Delaware corporation

By: _____
Name:
Title:

EXHIBIT C

[FORM OF] INTEREST ELECTION REQUEST

[ ], 20[ ]

SilverBow Resources, Inc., a Delaware corporation (the "Borrower"), pursuant to Section 2.04 of the First Amended and Restated Senior Secured Revolving Credit Agreement, dated as of April 19, 2017 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, JPMorgan Chase Bank, N.A., as Administrative Agent, and the other parties and lenders which are or become parties thereto, hereby makes an Interest Election Request as set forth below. Unless otherwise defined herein, each capitalized term used herein has the meaning assigned to it in the Credit Agreement.

(i) The Borrowing to which this Interest Election Request applies, and if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information specified pursuant to clause[s] (iii) [and (iv)] below shall be specified for each resulting Borrowing) is $[ ];

(ii) the effective date of the election made pursuant to this Interest Election Request is [ ], 20[ ][3];[and]

(iii) the resulting Borrowing is to be [an ABR Borrowing][a Term Benchmark Borrowing][an RFR Borrowing] [; and]

[(iv) [if the resulting Borrowing is a Term Benchmark Borrowing] the Interest Period applicable to the resulting Borrowing after giving effect to such election is [ ][4]].

[*Signature page follows*.]

[3] Which shall be a Business Day.

[4] Which shall be a period contemplated by the definition of "Interest Period."

The undersigned certifies that he/she is a Responsible Officer of the Borrower, and that as such he/she is authorized to execute this certificate on behalf of the Borrower. The undersigned in his/her capacity as a Responsible Office of the Borrower, and not in an individual capacity, further certifies, represents and warrants on behalf of the Borrower that the Borrower is entitled to receive the requested continuation or conversion under the terms and conditions of the Credit Agreement.

SILVERBOW RESOURCES, INC.,
a Delaware corporation

By: _____
Name:
Title:

EXHIBIT 10.2

Execution Version

SECOND AMENDMENT TO NOTE PURCHASE AGREEMENT

This SECOND AMENDMENT TO NOTE PURCHASE AGREEMENT (this "Amendment"), dated as of November 12, 2021, is among SILVERBOW RESOURCES, INC. (f/k/a Swift Energy Company), a Delaware corporation (the "Issuer"), the undersigned guarantors (the "Guarantors" and, together with the Issuer, the "Obligors"), U.S. BANK NATIONAL ASSOCIATION, as agent and collateral agent for the Holders (in such capacity, together with its successors, the "Agent"), and the Holders party hereto.

Recitals

A. The Issuer, the Agent and the Holders are parties to that certain Note Purchase Agreement, dated as of December 15, 2017 (as amended by that certain First Amendment to Note Purchase Agreement, dated as of April 20, 2018, and as further amended, supplemented or otherwise modified from time to time prior to the date hereof, the "Agreement").

B. The Issuer has requested, and the Agent and the Holders have agreed, to amend certain provisions of the Agreement on the terms, and subject to the conditions, set forth in this Amendment.

C. NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, and subject to the satisfaction of the conditions set out in Section 5 and Section 6 below, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Defined Terms. Each capitalized term used herein but not otherwise defined herein has the meaning given to such term in the Agreement (as amended by this Amendment). Unless otherwise indicated, all section references in this Amendment refer to sections in the Agreement.

Section 2. Amendments to Agreement. Upon the occurrence of the Second Amendment Effective Date, the Agreement (excluding appendices, exhibits and schedules thereto) is hereby amended to delete the bold, red stricken text (indicated textually in the same manner as the following example: ~~**stricken text**~~) and to add the bold, blue double-underlined text (indicated textually in the same manner as the following example: **double-underlined text**) as set forth in the Agreement attached hereto as Exhibit A.

Section 3. Amendments to Schedules. Upon the occurrence of the Second Amendment Effective Date, the Agreement is hereby amended to replace the schedules attached hereto as Exhibit B.

Section 4. Amendments to Exhibit C (Form of Compliance Certificate). Upon the occurrence of the Second Amendment Effective Date, the Agreement is hereby amended to replace Exhibit C (Form of Compliance Certificate) with the exhibit attached hereto as Exhibit C.

Section 5. Initial Conditions Precedent. This Amendment shall become a binding agreement, but subject in all respects to the further conditions to effectiveness set forth in Section 6 below, once each of the following conditions shall have been satisfied (or waived in accordance with Section 10.6 of the Agreement) on or prior to the date hereof:

5.1 The Agent and the Holders shall have received all fees and other amounts due and payable in connection with this Amendment or any other Note Document on or prior to the date hereof, including, to the extent invoiced, reimbursement or payment of all out-of-pocket expenses required to be reimbursed or paid by the Issuer pursuant to this Amendment or any other Note Document.

5.2 The Agent shall have received a counterpart of this Amendment signed by the Issuer, the Guarantors and the Holders.

5.3 The Agent (for delivery to the Holders) shall have received an opinion of counsel for the Note Parties in form and substance reasonably acceptable to the Requisite Holders.

5.4 The Agent and Holders shall have received a certificate from a Responsible Officer attaching a true, correct and complete copy of the First Lien Credit Agreement as in effect on the date hereof.

5.5 The Agent shall have received a Beneficial Ownership Certificate in form and substance reasonably acceptable to the Agent and the Requisite Holders.

5.6 The Agent shall have received a certificate of a Responsible Officer of each Note Party setting forth (i) resolutions of its board of directors or other appropriate governing body with respect to the authorization of such Note Party to execute and deliver the Amendment and the other Note Documents to which it is a party and to enter into the transactions contemplated in those documents, (ii) the officers of such Note Party (1) who are authorized to sign the Amendment and the Note Documents to which such Note Party is a party and (2) who will, until replaced by another officer or officers duly authorized for that purpose, act as its representative for the purposes of signing documents and giving notices and other communications in connection with the Amendment, the Agreement and the transactions contemplated hereby, (iii) specimen signatures of such authorized officers and (iv) the articles or certificate of incorporation and by-laws or other applicable Organizational Documents of such Note Party, certified by a Responsible Officer as being true and complete. The Agent and the Holders may conclusively rely on such certificate until the Agent receives notice in writing from such Note Party to the contrary.

5.7 The Agent shall have received certificates of the appropriate state agencies with respect to the existence, qualification and good standing of each Note Party in each jurisdiction where any such Note Party is organized.

5.8 The Agent (for delivery to the Holders) shall have received an executed consent under the Intercreditor Agreement (the "ICA Consent") reasonably acceptable to the Requisite Holders with respect to this Amendment and the transactions contemplated hereby.

Section 6. Conditions Precedent to Effectiveness. The amendments to the Agreement set forth in Section 2, Section 3 and Section 4 hereof, shall become effective on the date (such date, the "Second Amendment Effective Date") when each of the following conditions is satisfied (or waived in accordance with Section 10.6 of the Agreement):

6.1 The Agent and the Holders shall have received all fees and other amounts due and payable in connection with this Amendment or any other Note Document on or prior to the Second Amendment Effective Date, including, to the extent invoiced, reimbursement or payment of all out-of-pocket expenses required to be reimbursed or paid by the Issuer pursuant to this Amendment or any other Note Document.

6.2 The Agent shall have received a certificate of a Responsible Officer of the Issuer, dated as of the Second Amendment Effective Date, certifying as to the matters in Section 9.2 below.

6.3 The Agent (for delivery to the Holders) shall have received title information reasonably satisfactory to the Requisite Holders, setting forth the status of title to at least 90% of the PV-9 of the Oil and Gas Properties constituting Proved Reserves evaluated in the most recently completed Reserve Report.

6.4 The Agent (for delivery to the Holders) shall have received reports and/or other information (and, if applicable, additional Security Instruments), in form, scope and substance reasonably satisfactory to the Requisite Holders, regarding the Issuer and each Note Party's compliance with the Minimum Mortgage Requirement.

6.5 The Holders shall have received from the Issuer on a Business Day that is not a Specified Excluded Date on or prior to February 15, 2022: (i) the Second Amendment Principal Prepayment (such prepayment to be in the amount of $50,000,000.00) and (ii) the Second Amendment Interest Payment.

6.6 The Agent and the Holders shall have received a written notice contemplated by Section 2.9 of the Agreement (as amended by the amendments on Exhibit A) in connection with the Second Amendment Principal Prepayment required under Section 6.5 hereof.

6.7 The Second Amendment Effective Date shall have occurred on or prior to February 15, 2022 (it being expressly understood and agreed that if this condition is not met the amendments set forth in Section 2, Section 3 and Section 4 hereof shall be of no further force and effect).

Section 7. Post-Closing Condition. On or prior to December 3, 2021, the Agent (for delivery to the Holders) shall have received: (a) title information reasonably satisfactory to the Requisite Holders, setting forth the status of title to at least 90% of the PV-9 of the Oil and Gas Properties constituting Proved Reserves evaluated in the most recently completed Reserve Report and (b) reports and/or other information (and, if applicable, additional Security Instruments), in form, scope and substance reasonably satisfactory to the Requisite Holders, regarding the Issuer and each Note Party's compliance with the Minimum Mortgage Requirement (giving effect to the 90% thresholds set forth in Section 6.13 of Exhibit A regardless of whether the Second Amendment Effective Date has occurred on the date of such delivery).

Section 8. Repayment Fee. Notwithstanding anything in the Agreement to the contrary, the Holders agree that the Repayment Fee pursuant to Section 2.12(g) of the Agreement is hereby waived solely with respect to the payment by the Issuer of the Second Amendment Principal Prepayment and the Second Amendment Interest Payment on the Second Amendment Effective Date pursuant to Section 6.5 hereof.

Section 9. Miscellaneous.

9.1 Confirmation. All of the terms and provisions of the Agreement, as amended and waived (such waiver solely in respect to the matters expressly set forth in Section 8 above) by this Amendment, are, and shall remain, in full force and effect following the effectiveness of this Amendment. Neither the execution by the Agent or the Holders of this Amendment, nor any other act or omission by the Agent or the Holders or their officers in connection herewith, shall be deemed to be an agreement by the Agent or the Holders to agree to any future requests.

9.2 Ratification and Affirmation; Representations and Warranties. Each Obligor hereby (a) acknowledges the terms of this Amendment; (b) ratifies, approves and affirms (i) its obligations under, and acknowledges, renews and extends its continued liability under, each Note Document and agrees that each Note Document remains in full force and effect except as expressly amended hereby and (ii) that the Liens created by the Note Documents to which it is a party are valid and continuing and secure the Obligations in accordance with the terms thereof, after giving effect to this Amendment; (c) agrees that from and after the Second Amendment Effective Date (i) each reference to the Agreement in the other Note Documents shall be deemed to be a reference to the Agreement, as amended by this Amendment and (ii) this Amendment does not constitute a novation of the Agreement; and (d) represents and warrants to the Holders that as of the date hereof, and immediately after giving effect to the terms of this Amendment: (i) all of the representations and warranties contained in each Note Document are true and correct in all material respects (unless already qualified by materiality in which case such applicable representation and warranty shall be true and correct), except to the extent any such representations and warranties are expressly limited to an earlier date, in which case, such representations and warranties shall continue to be true and correct in all material respects (unless already qualified by materiality in which case such applicable representation and warranty shall be true and correct) as of such specified earlier date, (ii) no Default or Event of Default has occurred and is continuing and (iii) no event, development or circumstance has occurred or exists that has resulted in, or could reasonably be expected to have, a Material Adverse Effect.

9.3 Note Document. This Amendment is a Note Document.

9.4 Holder Authorization. Pursuant to Section 10.6(d) of the Agreement, the undersigned Holders, constituting all of the outstanding Holders, by their signatures hereto, hereby authorize and direct the Agent to execute and deliver this Amendment and the ICA Consent.

9.5 Counterparts. This Amendment may be executed by one or more of the parties hereto in any number of separate counterparts, and all of such counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or email transmission shall be effective as delivery of a manually executed counterpart of this Amendment. The words "execution," "signed," "signature," and words of like import in this Amendment shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. Section 10.1 of the Agreement (after giving effect to Exhibit A) shall apply to this Amendment.

9.6 No Oral Agreement. This Amendment, the Agreement and the other Note Documents executed in connection herewith and therewith represent the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous, or unwritten oral agreements of the parties. There are no subsequent oral agreements between the parties.

9.7 GOVERNING LAW. THIS AMENDMENT SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY THE LAW OF THE STATE OF NEW YORK. Section 10.16 and Section 10.17 of the Agreement shall be incorporated herein in *mutatis mutandis*.

9.8 Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

9.9 No Claims. Each Obligor represents and warrants that as of the date of this Amendment, it has no knowledge of events or circumstances that would reasonably be expected to give rise to a claim against any Holder or the Agent.

9.10 Severability. In case any provision herein or obligation hereunder shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

9.11 Headings. Section headings herein are included herein for convenience of reference only and shall not constitute a part hereof for any other purpose or be given any substantive effect.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first written above.

ISSUER: **SILVERBOW RESOURCES, INC.**

By: */s/ Christopher M. Abundis*
Name: Christopher M. Abundis
Title: Executive Vice President, Chief Financial Officer, General Counsel and Secretary

GUARANTOR: **SILVERBOW RESOURCES OPERATING, LLC**

By: */s/ Christopher M. Abundis*
Name: Christopher M. Abundis
Title: Executive Vice President, Chief Financial Officer, General Counsel, Treasurer and Secretary

AGENT:

U.S. BANK NATIONAL ASSOCIATION, as Agent

By: */s/ Prital K. Patel*
Name: Prital K. Patel
Title: Vice President

HOLDERS:

EIG GLOBAL PRIVATE DEBT FUND-A(UL), L.P.

By: EIG Credit Management Company, LLC, its manager

By: */s/ Nick Fersen*
Name: Nick Fersen
Title: Managing Director

By: */s/ Kristin Kelly*
Name: Kristin Kelly
Title: Vice President

EIG GLOBAL PRIVATE DEBT FUND-A, L.P.

By: EIG Credit Management Company, LLC, its manager

By: */s/ Nick Fersen*
Name: Nick Fersen
Title: Managing Director

By: */s/ Kristin Kelly*
Name: Kristin Kelly
Title: Vice President

EIG GLOBAL PRIVATE DEBT SUB B (UL), L.P.

By: EIG Credit Management Company, LLC, its manager

By: */s/ Nick Fersen*
Name: Nick Fersen
Title: Managing Director

By: */s/ Kristin Kelly*
Name: Kristin Kelly
Title: Vice President

EIG SUNSUPER CO-INVESTMENT II, L.P.

By: EIG Credit Management Company, LLC, its manager

By: */s/ Nick Fersen*
Name: Nick Fersen
Title: Managing Director

By: */s/ Kristin Kelly*
Name: Kristin Kelly
Title: Vice President

FS ENERGY AND POWER FUND

By: FS/EIG Advisor, LLC, its investment adviser

By: */s/ Eric Long*
Name: Eric Long
Title: Managing Director

By: */s/ Kristin Kelly*
Name: Kristin Kelly
Title: Vice President

ALLIANZ GLOBAL INVESTORS GMBH, acting on behalf of ALLIANZ L-PD FONDS

By: EIG Management Company, LLC, acting in its capacity as Manager for the account of Allianz L-PD Fonds

By: */s/ Nick Fersen*
Name: Nick Fersen
Title: Managing Director

By: */s/ Kristin Kelly*
Name: Kristin Kelly
Title: Vice President

ALLIANZ GLOBAL INVESTORS GMBH, acting on behalf of ALLIANZ PK-PD FONDS

By: EIG Management Company, LLC, acting in its capacity as Manager for the account of Allianz PK-PD Fonds

By: */s/ Nick Fersen*
Name: Nick Fersen
Title: Managing Director

By: */s/ Kristin Kelly*
Name: Kristin Kelly
Title: Vice President

ALLIANZ GLOBAL INVESTORS GMBH, acting on behalf of ALLIANZ PKV-PD FONDS

By: EIG Management Company, LLC, acting in its capacity as Manager for the account of Allianz PKV-PD Fonds

By: */s/ Nick Fersen*
Name: Nick Fersen
Title: Managing Director

By: */s/ Kristin Kelly*
Name: Kristin Kelly
Title: Vice President

ALLIANZ GLOBAL INVESTORS GMBH, acting on behalf of ALLIANZ SE-PD FONDS

By: EIG Management Company, LLC, acting in its capacity as Manager for the account of Allianz SE-PD Fonds

By: */s/ Nick Fersen*
Name: Nick Fersen
Title: Managing Director

By: */s/ Kristin Kelly*
Name: Kristin Kelly
Title: Vice President

ALLIANZ GLOBAL INVESTORS GMBH, acting on behalf of ALLIANZ V-PD FONDS

By: EIG Management Company, LLC, acting in its capacity as Manager for the account of Allianz V-PD Fonds

By: */s/ Nick Fersen*
Name: Nick Fersen
Title: Managing Director

By: */s/ Kristin Kelly*
Name: Kristin Kelly
Title: Vice President

Exhibit A

Amendments to Agreement

[See attached.]

SilverBow Resources, Inc.

SENIOR SECURED SECOND LIEN NOTES DUE 2024

$200,000,000 Note Purchase Agreement
DATED AS OF
DECEMBER 15, 2017

TABLE OF CONTENTS

SILVERBOW RESOURCES, INC.

This **NOTE PURCHASE AGREEMENT**, dated as of December 15, 2017 (together with any amendments, restatements, supplements or other modifications, the "**Agreement**"), is entered into by and among **SILVERBOW RESOURCES, INC.**, a Delaware corporation (the "**Issuer**")~~;~~

- ~~,~~ the Holders (as defined below) from time to time party hereto and~~EIG GLOBAL PRIVATE DEBT FUND-A, L.P., as a Holder;~~

- ~~EIG GLOBAL PRIVATE DEBT FUND-A (UL), L.P., as a Holder;~~

- ~~EIG GLOBAL PRIVATE DEBT FINCO-B (UL), LLC, as a Holder;~~

- ~~TRILOMA EIG ENERGY INCOME FUND, as a Holder;~~

- ~~TRILOMA EIG ENERGY INCOME FUND – TERM I, as a Holder;~~

- ~~ALLIANZ GLOBAL INVESTORS GMBH, acting on behalf of ALLIANZ L-PD FONDS, as a Holder;~~

- ~~ALLIANZ GLOBAL INVESTORS GMBH, acting on behalf of ALLIANZ PK-PD FONDS , as a Holder;~~

- ~~ALLIANZ GLOBAL INVESTORS GMBH, acting on behalf of ALLIANZ PKV-PD FONDS , as a Holder;~~

- ~~ALLIANZ GLOBAL INVESTORS GMBH, acting on behalf of ALLIANZ SE-PD FONDS , as a Holder;~~

- ~~ALLIANZ GLOBAL INVESTORS GMBH, acting on behalf of ALLIANZ V-PD FONDS , as a Holder;~~

- ~~EIG SUNSUPER CO-INVESTMENT FINCO, LLC, as a Holder;~~

- ~~FS ENERGY AND POWER FUND, as a Holder; and~~

- **U.S. BANK NATIONAL ASSOCIATION**, as agent and collateral agent for the Holders (in such capacity, the "**Agent**").

W I T N E S E T H:

In consideration of the mutual covenants and agreements contained herein and the Notes to be purchased by the Holders, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Article I.
DEFINITIONS AND INTERPRETATION

1.1 Terms Defined Above. As used in this Agreement, each term defined above has the meaning indicated above.

1.2 Definitions. The following terms used herein, including in the preamble, recitals, exhibits and schedules hereto, shall have the following meanings:

"**ABR**" means, for any day, a rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus ½ of 1% **(or if such day is not a Business Day, the immediately preceding Business Day)**, and (c) **if available,** LIBOR for a one-month Interest Period on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1%; provided that, LIBOR for any day shall be subject to any interest rate floors set forth in the definition therein. Any change in ABR due to a change in the Prime Rate, **the** NYFRB Rate or LIBOR shall be effective from and including the effective date of such change in the Prime Rate, **the** NYFRB Rate or LIBOR, respectively. For the avoidance of doubt, if the ABR shall be less than 2.0%, such rate shall be deemed to be 2.0% for purposes of this Agreement.

"**ABR Note**" means Notes the rate of interest applicable to which is based upon the ABR. For the avoidance of doubt, Notes shall constitute ABR Notes only as set forth in Section 2.15(a).

"**Accepting Holders**" as defined in Section 2.10(e).

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

"Affiliate" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"**Affiliated Holder**" means a Holder that is an Affiliate of the Issuer or any other Group Member.

"**Affiliated Holder Assignment and Assumption**" as defined in Section~~7.10~~**10.7**(j)**(i)**.

"**Agent**" as defined in the preamble hereto.

"**Agent's Account**" means an account designated by Agent from time to time as the account into which Note Parties shall make all payments to Agent for the benefit of the Agent and the Holders under this Agreement and the other Note Documents.

"**Agent's Office**" means the "Agent's Office" as set forth on Appendix B or such other office as Agent may from time to time designate in writing to the Issuer and each Holder.

"**Aggregate Amounts Due**" as defined in Section 2.13.

"**Agreement**" as defined in the preamble hereto.

"**Anti-Corruption Laws**" means all laws, rules, and regulations of any jurisdiction applicable to the Issuer or any of its Affiliates from time to time concerning or relating to bribery or corruption.

"**Applicable Margin**" means, for any day, (a) with respect to any Note (other than an ABR Note), a rate per annum equal to the LIBOR plus 7.50% and (b) with respect to any ABR Note, a rate per annum equal to the ABR plus 6.50%.

"**Applicable Office**" means the office through which a Holder's investment in any Note is made.

"**Approved Counterparty**" means with respect to any Swap Agreement (a) any First Lien Lender or any Affiliate of a First Lien Lender, (b) any other Person whose long term senior unsecured debt rating is A-/A3 by S&P or Moody's (or their equivalent) or higher or (c) any other Person consented to by the Requisite Holders (such consent not to be unreasonably withheld, conditioned or delayed), in each case, at the time the applicable Swap Agreement (or any transaction thereunder) is entered into.

"**Approved Petroleum Engineers**" means (a) Netherland, Sewell & Associates, Inc., (b) Ryder Scott Company Petroleum Consultants, L.P., (c) DeGolyer and MacNaughton, (d) Cawley, Gillespie & Associates, Inc., (e) HJ Gruy and Associates and (f) any other independent petroleum engineers proposed by the Issuer and reasonably acceptable to the Requisite Holders (provided that any independent reserve engineer acceptable to the First Lien Administrative Agent shall be deemed acceptable to the Requisite Holders).

"**ASC**" means the Financial Accounting Standards Board Accounting Standards Codification, as in effect from time to time

"**Asset Coverage Ratio**" means, with respect to any date of determination, the ratio of (a) Proved PV-10 as of such date plus Swap Mark-to-Market Value as of such date to (b) the Total Net Indebtedness as of such date.

"**Asset Sale**" means a sale, lease or sublease (as lessor or sublessor), sale and leaseback, assignment, conveyance, license, transfer or other disposition to, or any exchange of property with, any Person, in one transaction or a series of related transactions, of all or any part of any Person's businesses, assets or properties of any kind, whether real, personal, or mixed and whether tangible or intangible, whether now owned or hereafter acquired, including the Equity Interest owned by such Person (in each case of the foregoing, excluding any Casualty Event).

"**Assignment Agreement**" means an Assignment and Assumption Agreement substantially in form of Exhibit H or any other form approved by the Requisite Holders.

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

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

"**Bankruptcy Code**" means The Bankruptcy Reform Act of 1978 as codified as 11 U.S.C. Section 101 *et seq*., as amended from time to time and any successor statute.

"Beneficial Ownership Certification" means a certification regarding beneficial ownership or control as required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" means 31 C.F.R. § 1010.230.

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

"**Bloomberg**" means Bloomberg Financial Markets.

"**Board**" means the Board of Governors of the Federal Reserve System of the United States of America or any successor Governmental Authority.

"**Board of Directors**" means (a) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board; (b) with respect to a partnership, the Board of Directors of the general partner of the partnership; (c) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and (d) with respect to any other Person, the board or committee of such Person serving a similar function.

"**Borrowing Base**" means, at any particular time, the Dollar amount determined to be the "Borrowing Base" in accordance with the terms of the First Lien Credit Agreement, including any redetermination or adjustment thereof in accordance with the terms of the First Lien Credit Agreement; provided that such Borrowing Base is a conforming commercial banking borrowing base for oil and gas secured loan transactions, as determined by the First Lien Lenders, in accordance with their customary oil and gas lending criteria as they exist at the particular time and in accordance with the First Lien Credit Agreement, including customary mechanisms for periodic redeterminations thereof (it being acknowledged and agreed that the Borrowing Base determined in accordance with the First Lien Credit Agreement as in effect on the date hereof satisfies such standard).

"**Borrowing Base Deficiency**" has the meaning set forth in the First Lien Credit Agreement.

"**Business Day**" means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City or Houston, Texas are authorized or required by law to remain closed; and if such day relates to a the issuance of a Note or continuation of, a payment or prepayment of principal of or interest on, or the Interest Period for, a Note or a notice by the Issuer with respect to any such issuance of Notes or continuation, payment, prepayment, conversion or Interest Period, any day which is also a day on which banks are open for dealings in dollar deposits in the London interbank market.

"**Called Principal**" means, with respect to any Note, the amount of principal of such Note that is to be prepaid pursuant to Section 2.9 or Section 2.10 or has become or is declared to be immediately due and payable pursuant to Section 8.2, as the context requires.

~~"**Capital** ***Lease Obligations*** *" means, with respect to any Person, the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as* ~~***capital***~~ *leases on a balance sheet of such Person under GAAP and, for the purposes of this Agreement, the amount of such obligations at any time shall be the capitalized amount thereof at such time determined in accordance with GAAP.*~~

"**Cash**" means money, currency or a credit balance in any demand or deposit account.

"**Cash Equivalents**" means (a) marketable direct obligations issued by, or unconditionally guaranteed by, the United States Government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one year from the date of acquisition; (b) certificates of deposit, time deposits, eurodollar time deposits or overnight bank deposits having maturities of six months or less from the date of acquisition issued by any commercial bank organized under the laws of the United States or any state thereof having combined capital and surplus of not less than $500,000,000; (c) commercial paper of an issuer rated at least A-1 by S&P or P-1 by Moody's, or carrying an equivalent rating by a nationally recognized rating agency, if both of the two named rating agencies cease publishing ratings of commercial paper issuers generally, and maturing within six months from the date of acquisition or (d) repurchase obligations of any commercial bank satisfying the requirements of clause (b) of this definition, having a term of not more than 30 days, with respect to securities issued or fully guaranteed or insured by the United States government.

"**Casualty Event**" means any loss, casualty or other insured damage to, or any nationalization, taking under power of eminent domain or by condemnation or similar proceeding of, any Property of the Issuer or any of its Restricted Subsidiaries having a Fair Market Value (when considered in the aggregate for all such Property subject to the particular event) in excess of $20,000,000.

"**Change in Control**" means (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person (other than a Permitted Holder) or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the SEC thereunder as in effect on the ~~**date hereof**~~**Second Amendment Effective Date**) (other than a group of Permitted Holders) of Equity Interests representing more than 50% of the aggregate issued and outstanding Voting Interests of the Issuer, (b) occupation of a majority of the seats (other than vacant seats) on the board of directors of the Issuer by Persons who were not (i) directors of the Issuer on the date of this Agreement nor (ii) nominated or appointed by the board of directors of the Issuer, (c) the Issuer shall cease to own and control, of record and beneficially, directly or indirectly, 100% of each class of outstanding Equity Interest of each of its Restricted Subsidiaries (it being understood that the foregoing shall not restrict any Disposition of all the Equity Interests of a Restricted Subsidiary to the extent permitted hereunder) or (d) a Specified Change in Control shall have occurred.

"**Closing Date**" means the date on which all of the conditions precedent set forth in Section 3.1 have been satisfied or waived **(which date was December 15, 2017)**.

"**Closing Date Certificate**" means a Closing Date Certificate substantially in the form of Exhibit D.

"**Code**" means the Internal Revenue Code of 1986, as amended from time to time, and any successor statute (except as otherwise provided herein).

"Collateral" means all Property of the Note Parties, now owned or hereafter acquired, upon which a Lien is purported to be created by any Security Instrument.

"**Commitment**" means, as to any Holder, the commitment of such Holder to purchase Notes in the manner set forth in Section 2.1. "Commitments" means such commitments of all the Holders in the aggregate. The amount of each Holder's Commitment is set forth on Appendix A.

"**Communications**" as defined in Section 9.7(a).

"**Compliance Certificate**" means a Compliance Certificate substantially in the form of Exhibit C.

"**Confidential Information**" as defined in Section 10.18.

"**Consolidated Net Income**" means with respect to the Issuer and the Consolidated Restricted Subsidiaries, for any period, the aggregate of the net income (or loss) of the Issuer and the Consolidated Restricted Subsidiaries after allowances for taxes for such period determined on a consolidated basis in accordance with GAAP; *provided* that there shall be excluded from such net income (to the extent otherwise included therein) the following: ~~(a)~~**(a)** the net income of any Person in which the Issuer or any Consolidated Restricted Subsidiary has an interest (other than a Consolidated Restricted Subsidiary), except to the extent of the amount of dividends or distributions actually paid in cash during such period by such other Person to the Issuer or to a Consolidated Restricted Subsidiary, as the case may be, from such other Person's net income; ~~(b)~~**(b)** the net income (but not loss) during such period of any Consolidated Restricted Subsidiary to the extent that the declaration or payment of dividends or similar distributions or transfers or loans by that Consolidated Restricted Subsidiary is not at the time permitted by operation of the terms of its charter or any agreement, instrument or Governmental Requirement applicable to such Consolidated Restricted Subsidiary or is otherwise restricted or prohibited; ~~(c)~~**(c)** the income (or loss) of any Person accrued prior to the date it becomes a Consolidated Restricted Subsidiary of the Issuer or is merged into or consolidated with the Issuer or any of its Consolidated Restricted Subsidiaries; ~~(d)~~**(d)** any extraordinary gains or losses or expenses during such period; ~~(e)~~**(e)** non-cash gains or losses under FASB ASC Topic 815 resulting from the net change in mark to market portfolio of commodity price risk management activities during that period ~~and (f)~~**; (f)** any gains or losses attributable to writeups or writedowns of assets, including ceiling test writedowns~~.~~**; and (g) for any period commencing with the Fiscal Quarter ending March 31, 2022, any net after-tax gains or losses from the cancellation, unwinding, early extinguishment or conversion of (i) obligations arising under Swap Agreements and (ii) other derivative instruments.**

"**Consolidated Restricted Subsidiaries**" means each Restricted Subsidiary of the Issuer (whether now existing or hereafter created or acquired) the financial statements of which shall be (or should have been) consolidated with the financial statements of the Issuer in accordance with GAAP.

"**Consolidated Subsidiaries**" means each Subsidiary of the Issuer (whether now existing or hereafter created or acquired) the financial statements of which shall be (or should have been) consolidated with the financial statements of the Issuer in accordance with GAAP.

"**Consolidated Total Assets**" means, as of any date of determination, the amount that would, in conformity with GAAP, be set forth opposite the caption "total assets" (or any like caption) on a consolidated balance sheet of the Issuer and the other Group Members.

"Control" means the power, directly or indirectly, to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise. "**Controlling**" and "**Controlled**" have meanings correlative thereto.

"**Control Agreement**" means a deposit account control agreement or securities account control agreement (or similar agreement), as applicable, in form and substance reasonably satisfactory to the Requisite Holders. Such agreement shall provide a second priority perfected Lien (subject only to Permitted Prior Liens) in favor of the Agent, for the benefit of the Secured Parties, in the applicable Note Party's Deposit Account and/or Securities Account.

"**Controlled Account**" means a Deposit Account or Securities Account that is subject to a Control Agreement.

"Covered Entity" means any of the following:

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

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

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

"Covered Party" as defined in Section 10.31.

"**Customary Recourse Exceptions**" means, with respect to any Non-Recourse Debt of an Unrestricted Subsidiary, exclusions from the exculpation provisions with respect to such Non-Recourse Debt for the voluntary bankruptcy of such Unrestricted Subsidiary, fraud, misapplication of cash, environmental claims, waste, willful destruction and other circumstances customarily excluded by lenders from exculpation provisions or included in separate indemnification agreements in non-recourse financings.

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

"**Declining Holder**" as defined in Section 2.10(e).

"**Default**" means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

"**Default Rate**" means any interest payable pursuant to Section 2.7(c).

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"**Deposit Account**" has the meaning assigned to such term in the UCC.

"**Discharge of First Lien Non-Excluded Obligations**" has the meaning assigned to such term in the Intercreditor Agreement.

"**Discount Letter**" means that certain Letter dated as of the Closing Date between the Issuer, the Holders party thereto and the other parties named therein.

"**Discounted Value**" means, with respect to the Called Principal of any Note, the amount obtained by discounting all Remaining Scheduled Payments with respect to such Called Principal from their respective scheduled due dates to the Settlement Date with respect to such Called Principal, in accordance with accepted financial practice and at a discount factor (applied on the same periodic basis as that on which interest on the Notes is payable) equal to the Reinvestment Yield with respect to such Called Principal.

"**Disposition**" means, with respect to any property, any sale, lease, sale and leaseback, assignment, conveyance, transfer, casualty, condemnation or other disposition thereof **(in one transaction or in a series of transactions and whether effected pursuant to a division or otherwise)**. The terms "**Dispose**" and "**Disposed of**" shall have correlative meanings.

"**Disqualified Capital Stock**" means any Equity Interest that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable) or upon the happening of any event, matures or is mandatorily redeemable for any consideration other than other Equity Interests (which would not constitute Disqualified Capital Stock), pursuant to a sinking fund obligation or otherwise, or is convertible or exchangeable for Indebtedness or redeemable for any consideration other than other Equity Interests (which would not constitute Disqualified Capital Stock) at the option of the holder thereof, in whole or in part, on or prior to the date that is one year after the earlier of (a) the Maturity Date and (b) the date on which there are no Notes or other Obligations outstanding.

"Dollar Denominated Production Payments" means production payment obligations recorded as liabilities in accordance with GAAP, together with all undertakings and obligations in connection therewith.

"**Dollars**" and the sign "**$**" mean the lawful money of the United States of America.

~~**"Domestic Subsidiary" means any Restricted Subsidiary that is organized under the laws of the United States of America or any state thereof or the District of Columbia.**~~

"**Domestic Subsidiary Group Member**" means any Restricted Subsidiary (a) that is organized under the laws of the United States of America or any state thereof or the District of Columbia and (b) that is not a Foreign Group Member.

"**EBITDA**" means, for any period, the sum of Consolidated Net Income for such period plus the following expenses or charges to the extent deducted from Consolidated Net Income in such period: ~~(i)~~**(i)** interest, ~~(ii)~~**(ii)** federal and state income taxes, ~~(iii)~~**and (iii)** depreciation, depletion, amortization and other similar noncash charges~~, (iv) the amount of non-recurring expenses and charges incurred through December 31, 2017 in an amount not to exceed $10,000,000 in the aggregate per Fiscal Year during such time, including expenses and charges in connection with any operational restructuring, severance, relocation, acquisition, disposition, consolidation of Subsidiaries, Material Acquisition, Material Disposition, Investment, incurrence of Indebtedness and issuance of Equity Interests, (v) any fees, expenses or charges of third parties incurred through September 30, 2016 in connection with the implementation of fresh start accounting, the Chapter 11 Cases, the Plan of Reorganization, the transactions contemplated thereby and any other reorganization items, in an aggregate amount not to exceed $27,500,000 and (vi) any non-cash expenses, charges and impairments, including non-cash impact attributable to the adoption of fresh start accounting in connection with the transactions under the Plan of Reorganization, in accordance with GAAP~~, minus all noncash income (including cancellation of indebtedness income) added to Consolidated Net Income (excluding any such non cash item to the extent it represents the reversal of an accrual or reserve for potential cash item in any prior period); *provided* that any realized cumulative cash gains or losses resulting from the settlement of commodity price risk contracts **on or prior to December 31, 2020 and** not included in Consolidated Net Income shall, to the extent not included, be added to EBITDA in the case of such gains and subtracted from EBITDA in the case of such losses (*provided* that **(x)** in all events any such realized cumulative cash gains or losses shall be applied in equal monthly installments across the term which would have been in effect had such applicable commodity price risk contract not been settled~~);~~**and (y) for the avoidance of doubt, any realized cumulative cash gains and losses with respect to the cancellation, unwinding, early extinguishment or conversion of obligations arising under Swap Agreements and other derivative instruments, in each case, on or after January 1, 2021 shall not be added to EBITDA to the extent not included in Consolidated Net Income);***provided further* that for the purposes of calculating EBITDA for any period of four consecutive Fiscal Quarters (each, a "**Reference Period**"), (a) if during such Reference Period (or, in the case of pro forma calculations, during the period from the last day of such Reference Period to and including the date as of which such calculation is made) the Issuer or any Consolidated Restricted Subsidiary shall have made a Material Disposition or Material Acquisition, EBITDA (including Consolidated Net Income) for such Reference Period shall be calculated after giving pro forma effect thereto as if such Material Disposition or Material Acquisition by the Issuer or its Consolidated Restricted Subsidiaries occurred on the first day of such Reference Period (with the Reference Period for the purposes of pro forma calculations being the most recent period of four consecutive Fiscal Quarters for which the relevant financial information is available) and (b) if any calculations in the foregoing clause (a) are made on a pro forma basis, such pro forma adjustments are factually supportable and subject to supporting documentation and otherwise acceptable to the Agent. As used in this definition, "**Material Acquisition**" means any acquisition by the Issuer or its Consolidated Restricted Subsidiaries of property or series of related acquisitions of property that involves consideration in excess of $5,000,000, and "**Material Disposition**" means any Disposition or series of related Dispositions that yields gross proceeds to the Issuer or any Consolidated Restricted Subsidiary in excess of $5,000,000. For avoidance of doubt, amounts added back or subtracted from Consolidated Net Income pursuant to this definition shall be without duplication of gains or losses excluded from Consolidated Net Income.

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

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

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

"**EIG**" means EIG Credit Management Company, LLC.

"**Eligible Assignee**" means (a) any Holder, (b) any Related Fund or Affiliate of a Holder and (c) any Institutional Investor (other than any Holder, Related Fund or Affiliate thereof) or other Person in each such case in this clause (c) with the consent of the Issuer, such consent not to be unreasonably withheld, conditioned or delayed; provided that the parties hereto acknowledge that the Issuer's refusal to provide such consent with respect to any Institutional Investor that is either an activist fund or a distressed fund shall be deemed to be reasonable; provided further that (i) if an Event of Default has occurred and is continuing, the consent of the Issuer will not be required and (ii) the Issuer shall be deemed to have consented to any such Person unless it shall object thereto by written notice to the Agent within ten (10) Business Days after having received written notice thereof.

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

~~*"**EEA Member Country**" means any of the member states of the European Union, Iceland, Liechtenstein and Norway.*~~

~~*"**EEA Resolution Authority**" means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.*~~

"**Environmental Laws**" means all Governmental Requirements relating to the environment, the preservation or reclamation of natural resources, the regulation or management of any harmful or deleterious substances, or to health and safety as it relates to environmental protection or exposure to harmful or deleterious substances.

"**Environmental Permit**" means any permit, registration, license, notice, approval, consent, exemption, variance, or other authorization required under or issued pursuant to applicable Environmental Laws.

"Equity Interests" means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such Equity Interest.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute.

"**ERISA Affiliate**" means any entity (whether or not incorporated) which together with the Issuer or a Subsidiary would be treated as a single employer under Section 4001(b)(1) of ERISA or Section 414(b) or (c) of the Code or, for purposes of provisions relating to Section 412 of the Code and Section 302 of ERISA, Section 414 (m) or (o) of the Code.

"**ERISA Event**" means (a) a Reportable Event, (b) the withdrawal of the Issuer, any other Group Member or any ERISA Affiliate from a Plan subject to Section 4063 of ERISA during a plan year in which it was a "substantial employer" as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA, (c) a complete or partial withdrawal by the Issuer, any other Group Member or any ERISA Affiliate from a Multiemployer Plan; (d) the filing (or the receipt by any Group Member or any ERISA Affiliate) of a notice of intent to terminate a Plan under Section 4041(c) of ERISA or the treatment of a Plan amendment as a termination under Section 4041 of ERISA, (e) the institution of proceedings to terminate a Plan by the PBGC, (f) the receipt by any Group Member or any ERISA Affiliate of a notice of withdrawal liability pursuant to Section 4202 of ERISA, (g) any other event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan or the incurrence by any Group Member or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan, including but not limited to the imposition of any Lien in favor of the PBGC, (h) on and after the effectiveness of the Pension Act, a determination that a Plan is, or would be expected to be, in "at risk" status (as defined in 303(i)(4) of ERISA or 430(i)(4) of the Code) or (i) the failure of any Group Member or any ERISA Affiliate to make by its due date, after expiration of any applicable grace period, a required installment under Section 430(j) of the Code with respect to any Plan or any failure by any Plan to satisfy the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA) applicable to such Plan, whether or not waived, or the failure by the Issuer, any other Group Member or any of their respective ERISA Affiliates to make any required contribution to a Multiemployer Plan.

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

"**Event of Default**" as defined in Section 8.1.

"**Excepted Liens**" means: (a) Liens for Taxes, assessments or other governmental charges or levies which are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP; (b) Liens in connection with workers' compensation, unemployment insurance or other social security, old age pension or public liability obligations which are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP; (c) statutory landlord's liens, operators', vendors', carriers', warehousemen's, repairmen's, mechanics', suppliers', workers', materialmen's, construction or other like Liens arising by operation of law in the ordinary course of business or incident to the exploration, development, operation and maintenance of Oil and Gas Properties each of which is in respect of obligations that are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP; (d) contractual Liens which arise in the ordinary course of business under operating agreements, joint venture agreements, oil and gas partnership agreements, oil and gas leases, farm-out agreements, division orders, contracts for the sale, transportation or exchange of oil and natural gas, unitization and pooling declarations and agreements, area of mutual interest agreements, overriding royalty agreements, marketing agreements, processing agreements, net profits agreements, development agreements, gas balancing or deferred production agreements, injection, repressuring and recycling agreements, salt water or other disposal agreements, seismic or other geophysical permits or agreements, and other agreements, in each case, which are usual and customary in the oil and gas business and are for claims which are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP, provided that any such Lien referred to in this clause does not materially impair (i) the use of the Property covered by such Lien for the purposes for which such Property is held by the Issuer or any other Group Member or (ii) the value of such Property subject thereto; (e) Liens arising by virtue of any statutory or common law provision or customary deposit account terms relating to banker's liens, rights of set-off or similar rights and remedies and burdening only deposit accounts or other funds maintained with a creditor depository institution, provided that no such deposit account is a dedicated cash collateral account or is subject to restrictions against access by the depositor in excess of those set forth by regulations promulgated by the Board and no such deposit account is intended by Issuer or any other Group Member to provide collateral to the depository institution; (f) zoning and land use requirements, easements, restrictions, servitudes, permits, conditions, covenants, exceptions or reservations in any Property of the Issuer or any other Group Member for the purpose of roads, pipelines, transmission lines, transportation lines, distribution lines for the removal of gas, oil, coal or other minerals or timber, and other like purposes, or for the joint or common use of real estate, rights of way, facilities and equipment, that do not secure any monetary obligations and which in the aggregate do not materially impair (i) the use of such Property for the purposes of which such Property is held by the Issuer or any other Group Member or (ii) the value of such Property subject thereto; (g) Liens on cash or securities pledged to secure performance of tenders, surety and appeal bonds, government contracts, performance and return of money bonds, bids, trade contracts, leases, statutory obligations, regulatory obligations and other obligations of a like nature, in each case, incurred in the ordinary course of business; (h) judgment and attachment Liens not giving rise to an Event of Default, provided that any appropriate legal proceedings which may have been duly initiated for the review of such judgment shall not have been finally terminated or the period within which such proceeding may be initiated shall not have expired and no action to enforce such Lien has been commenced; (i) Liens, titles and interests of lessors of personal Property leased by such lessors to the Issuer or any other Group Member, restrictions and prohibitions on encumbrances and transferability with respect to such Property and the Issuer's or such Group Member's interests therein imposed by such leases, and Liens and encumbrances encumbering such lessors' titles and interests in such Property and to which the Issuer's or such Group Member's leasehold interests may be subject or subordinate, in each case, whether or not evidenced by UCC financing statement filings or other documents of record; provided that such Liens do not secure Indebtedness of the Issuer or any other Group Member and do not encumber Property of the Issuer or any other Group Member other than the Property that is the subject of such leases; and (j) Liens, titles and interests of licensors of software and other intangible personal Property licensed by such licensors to the Issuer or any other Group Member, restrictions and prohibitions on encumbrances and transferability with respect to such Property and the Issuer's or such Group Member's interests therein imposed by such licenses, and Liens and encumbrances encumbering such licensors' titles and interests in such Property and to which the Issuer's or such Group Member's license interests may be subject or subordinate, in each case, whether or not evidenced by UCC financing statement filings or other documents of record; provided that such Liens do not secure Indebtedness of the Issuer or any other Group Member and do not encumber Property of the Issuer or any other Group Member other than the Property that is the subject of such licenses; provided, further that Liens described in clauses (a) through (e) shall remain "Excepted Liens" only for so long as no action to enforce such Lien has been commenced and no intention to subordinate the Liens granted in favor of the Agent is to be hereby implied or expressed by the permitted existence of any Excepted Liens.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended from time to time, and any successor statute.

"**Excluded Accounts**" means (a) each account all or substantially all of the deposits in which consist of amounts utilized to fund payroll, employee benefit or tax obligations of the Issuer and its Subsidiaries, (b) fiduciary accounts, (c) to the extent necessary or desirable to comply with the terms of a binding purchase agreement, escrow accounts holding amounts on deposit in connection with a binding purchase agreement to the extent that and for so long as such amounts are refundable to the buyer, (d) "zero balance" accounts and (e) other accounts so long as the aggregate average daily maximum balance in any such other account over a 30-day period does not at any time exceed $2,500,000; provided that the aggregate daily maximum balance for all such bank accounts excluded pursuant to this clause (d) on any day shall not exceed $5,000,000.

"**Excluded Taxes**" as defined in Section 2.14(b).

"**Exposure**" means, with respect to any Holder, as of any date of determination, the outstanding principal amount of the Notes held by such Holder.

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

"**FATCA**" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof and any treaties or intergovernmental agreements entered into to implement the foregoing (together with any law, regulation or official guidance implementing such agreements).

"**FCPA**" means the Foreign Corrupt Practices Act of 1977, as amended.

"**Federal Funds Effective Rate**" means, for any day, the rate calculated by the NYFRB based on such day's federal funds transactions by depositary institutions, as determined in such manner as the NYFRB shall set forth on its public website from time to time, and published on the next succeeding Business Day by the NYFRB as the federal funds effective rate; provided, that if the foregoing rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"**Fee Letter**" means that certain Fee Letter dated as of the Closing Date between the Issuer, EIG and the other parties named therein.

***"Finance** Lease Obligations" means, with respect to any Person, the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as **finance** leases on a balance sheet of such Person under GAAP and, for the purposes of this Agreement, the amount of such obligations at any time shall be the capitalized amount thereof at such time determined in accordance with GAAP.*

"**Financial Officer**" means, for any Person, the chief executive officer, chief financial officer, principal accounting officer or treasurer of such Person or a Person holding a similar role or who is designated in writing as a "Financial Officer" by another Financial Officer. Unless otherwise specified, all references herein to a Financial Officer mean a Financial Officer of the Issuer.

"**First Lien Administrative Agent**" means JPMorgan Chase Bank, N.A., in its capacity as "Administrative Agent" under and as defined in the First Lien Credit Agreement (or any successor thereto appointed pursuant to Section 11.06 of the First Lien Credit Agreement) or the administrative agent under a Permitted Revolver Refinancing First Lien Credit Agreement, in each case subject to the requirements of Section 7.2(k).

"**First Lien Credit Agreement**" means that certain First Amended and Restated Senior Secured Revolving Credit Agreement, dated as of April 19, 2017, among the Issuer, the First Lien Administrative Agent and the lenders party thereto, as the same may be amended, restated, modified, or supplemented from time to time, in each case, subject to the Intercreditor Agreement.

"**First Lien Credit Facility**" means the first lien reserve based revolving credit facility established pursuant to the First Lien Credit Agreement or any first lien reserve based credit facility established pursuant to a Permitted Revolver Refinancing First Lien Credit Agreement.

"**First Lien Lender**" means a "Lender" as defined in the First Lien Credit Agreement or any functionally equivalent term in a Permitted Revolver Refinancing First Lien Credit Agreement.

"**First Lien Loan Documents**" means the "Loan Documents" as defined in the First Lien Credit Agreement or any functionally equivalent term in a Permitted Revolver Refinancing First Lien Credit Agreement.

"**First Lien Secured Obligations**" means the "Secured Obligations" as defined in the First Lien Loan Documents or any functionally equivalent term under a Permitted Revolver Refinancing First Lien Credit Agreement that describes obligations thereunder that are secured by a Lien on Collateral that is prior to the Liens on the Collateral securing Notes issued pursuant to this Agreement.

"**First Offer**" as defined in Section 2.10(e).

"**First Offer Deadline**" as defined in Section 2.10(e).

"**Fiscal Quarter**" means each fiscal quarter for accounting and tax purposes, ending on the last day of each March, June, September and December.

"**Fiscal Year**" means each fiscal year for accounting and tax purposes, ending on December 31 of each year.

"**Flood Insurance Regulations**" means (a) the National Flood Insurance Act of 1968 as now or hereafter in effect or any successor statute thereto, (b) the Flood Disaster Protection Act of 1973 as now or hereafter in effect or any successor statue thereto, (c) the National Flood Insurance Reform Act of 1994 (amending 42 USC 4001, et seq.), as the same may be amended or recodified from time to time, (d) the Flood Insurance Reform Act of 2004 and (e) the Biggert Waters Flood Reform Act of 2012, and any regulations promulgated thereunder.

"**Foreign Group Member**" means, any Group Member that is a Subsidiary of the Issuer which (a) is not organized under the laws of the United States of America or any state thereof or the District of Columbia or (b) is a FSHCO.

"**FSHCO**" means ~~**(a)**~~ any Subsidiary substantially all of the assets of which consist of Equity Interests in one or more Subsidiaries that are "controlled foreign corporations" within the meaning of Section 957 of the Code ~~**and (b) Swift Energy International, LLC**~~.

"**GAAP**" means generally accepted accounting principles in the United States of America as in effect from time to time subject to the terms and conditions set forth in Section 1.3~~**; *provided* that the accounting for operating leases and Capital Leases Obligations under GAAP as in effect on the date hereof (including, without limitation, Accounting Standards Codification 840) shall apply for the purposes of determining compliance with the provisions of this Agreement, including the definition of Capital Lease Obligations (it being understood, for avoidance of doubt, that no operating leases, or obligations in respect of operating leases, shall be treated as Capital Lease Obligations, respectively, hereunder).**~~.

"**Governmental Authority**" means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"**Governmental Requirement**" means any law (including common law), statute, code, ordinance, order, determination, rule, regulation, judgment, decree, injunction, franchise, permit, certificate, license, authorization or other directive or requirement, whether now or hereinafter in effect, including energy regulations and occupational, safety and health standards or controls, of any Governmental Authority.

"**Group Members**" means the collective reference to the Issuer and its Restricted Subsidiaries.

"**Guarantee and Collateral Agreement**" means the Second Lien Guarantee and Collateral Agreement, dated as of the Closing Date, as the same may be amended, modified or supplemented from time to time.

"**Guarantors**" means:

(a) SilverBow Resources Operating, LLC,

(b) SilverBow Resources USA, Inc.,

(c) each other Domestic Subsidiary Group Member that is a Material Subsidiary, that guarantees or otherwise becomes obligated with respect to Indebtedness incurred in reliance on Section 7.2(k) or (l), and

(d) any other Group Member that guarantees the Obligations at the election of the Issuer.

"**Hazardous Material**" means any chemical, compound, material, product, byproduct, substance or waste that is defined, regulated or otherwise classified as a "hazardous substance," "hazardous material," "hazardous waste," "solid waste," "toxic waste," "extremely hazardous substance," "toxic substance," "contaminant," "pollutant," or words of similar meaning under any applicable Environmental Law, and for the avoidance of doubt includes Hydrocarbons, radioactive materials, explosives, asbestos or asbestos containing materials, polychlorinated biphenyls, radon, and infectious or medical wastes.

"**Hedge Receipts**" means any Cash received by or paid to or for the account of any Note Party pursuant to any Unwind of any Swap Agreement in respect of commodities after giving effect to any netting agreements, and excluding in any event any regularly scheduled settlement payments and any payments applied towards amounts outstanding under the First Lien Credit Facility to (a) eliminate any Borrowing Base Deficiency, in an amount equal to such Borrowing Base Deficiency or (b) pay other amounts due under the First Lien Credit Facility.

"**Highest Lawful Rate**" means, as to any Holder, at the particular time in question, the maximum non-usurious rate of interest which, under applicable law, such Holder is then permitted to contract for, charge or collect from the Issuer on the Notes or the other obligations of the Issuer hereunder, and as to any other Person, at the particular time in question, the maximum non-usurious rate of interest which, under applicable law, such Person is then permitted to contract for, charge or collect with respect to the obligation in question. If the maximum rate of interest which, under applicable law, the Holders are permitted to contract for, charge or collect from the Issuer on the Notes or the other obligations of the Issuer hereunder shall change after the date hereof, the Highest Lawful Rate shall be automatically increased or decreased, as the case may be, as of the effective time of such change without notice to the Issuer or any other Person.

"**Holders**" means each Person listed on the signature pages hereto as a Holder, and any other Person that becomes a party hereto as a Holder pursuant to an Assignment Agreement, other than any such Person that ceases to be a party hereto as a Holder pursuant to an Assignment Agreement.

"**Hydrocarbon Interests**" means all rights, titles, interests and estates now or hereafter acquired in and to oil and gas leases, oil, gas and mineral leases, or other liquid or gaseous hydrocarbon leases, mineral fee interests, overriding royalty and royalty interests, net profit interests and production payment interests, including any reserved or residual interests of whatever nature. Unless otherwise indicated herein, each reference to the term "**Hydrocarbon Interests**" shall mean Hydrocarbon Interests of the Issuer or any other Group Member, as the context requires.

"**Hydrocarbons**" means all oil, gas, casinghead gas, drip gasoline, natural gasoline, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons and all constituents, elements or compounds thereof and all products refined or separated therefrom and all other minerals which may be produced and saved from or attributable to the Oil and Gas Properties of any Person, including all oil in tanks, and all rents, issues, profits, proceeds, products, revenues and other incomes from or attributable to the Hydrocarbon Interests or other properties constituting Oil and Gas Properties.

~~**"Increased Facility Activation Date" means any Business Day on which the Issuer and any Holder shall execute and deliver to the Agent an Increased Facility Activation Notice pursuant to Section 2.2(a).**~~

~~**"Increased Facility Activation Notice" means a notice substantially in the form of Exhibit E.**~~

~~**"Increased Facility Closing Date" means any Business Day designated as such in an Increased Facility Activation Notice.**~~

~~**"Incremental Amount" means $100,000,000.**~~

~~**"Incremental Notes" as defined in Section 2.2(a).**~~

"**Indebtedness**" means, for any Person, the sum of the following (without duplication): (a) all obligations of such Person for borrowed money or evidenced by bonds, bankers' acceptances, debentures, notes or other similar instruments; (b) all obligations of such Person (whether contingent or otherwise) in respect of letters of credit, bank guarantees, surety or other bonds and similar instruments; (c) all accounts payable and all accrued expenses, liabilities or other obligations of such Person to pay the deferred purchase price of Property or services (including insurance premium payables) that are one hundred twenty (120) days past the date of invoice, other than those which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP; (d) all ~~Capital~~**Finance** Lease Obligations; (e) all Indebtedness (as defined in the other clauses of this definition) of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) a Lien on any Property of such Person, whether or not such Indebtedness is assumed by such Person; (f) all Indebtedness (as defined in the other clauses of this definition) of others guaranteed by such Person or in which such Person otherwise assures a creditor against loss of the Indebtedness (howsoever such assurance shall be made) to the extent of the lesser of the amount of such Indebtedness and the maximum stated amount of such guarantee or assurance against loss; (g) all obligations or undertakings of such Person to maintain or cause to be maintained the financial position or covenants of others or to purchase the Indebtedness or Property of others; (h) ~~[reserved]~~**any undischarged balance of any Volumetric Production Payments and any Dollar Denominated Production Payments**; (i) all obligations of such Person under take/ship or pay contracts if any goods or services are not actually received or utilized by such Person; (j) any Indebtedness of a partnership for which such Person is liable either by agreement, by operation of law or by a Governmental Requirement but only to the extent of such liability; (k) Disqualified Capital Stock (for purposes hereof, the amount of any Disqualified Capital Stock shall be its liquidation value and, without duplication, the amount of all obligations of such Person with respect to the redemption, repayment or other repurchase in respect of Disqualified Capital Stock); (l) net Swap Obligations of such Person (for purposes hereof, the amount of any net Swap Obligations on any date shall be deemed to be the Swap Termination Value thereof as of such date) and (m) the undischarged balance of any production payment created by such Person or for the creation of which such Person directly or indirectly received payment. The Indebtedness of any Person shall include all obligations of such Person of the character described above to the extent such Person remains legally liable in respect thereof notwithstanding that any such obligation is not included as a liability of such Person under GAAP.

"**Indemnified Liabilities**" means, collectively, any and all liabilities, obligations, losses, damages, penalties, claims, costs, expenses and disbursements of any kind or nature whatsoever (including the reasonable and documented fees and disbursements of counsel which shall be limited to one firm of counsel for all Indemnitees, taken as a whole, an additional firm of counsel to the Agent, and a single local counsel in each appropriate jurisdiction for all Indemnitees, taken as a whole (and in the case of an actual or reasonably perceived conflict of interest, another firm of counsel in each relevant jurisdiction to the affected indemnified persons similarly situated taken as a whole)), whether direct, indirect or consequential and whether based on any federal, state or foreign laws, statutes, rules or regulations (including securities and commercial laws, statutes, rules or regulations and Environmental Laws), on common law or equitable cause or on contract or otherwise, that may be imposed on, incurred by, or asserted against any such Indemnitee, in any manner relating to or arising out of (a) this Agreement or the other Note Documents or the transactions contemplated hereby or thereby (including the Holders' agreement to make Note Purchases or the use or intended use of the proceeds thereof, or any enforcement of any of the Note Documents (including any sale of, collection from, or other realization upon any of the Collateral or the enforcement of the Guarantee and Collateral Agreement)); (b) in connection with any investigative, administrative or judicial proceeding commenced or threatened by any Person, and any reasonable fees or expenses incurred by such Indemnitees in enforcing the indemnity under Section ~~10.3(a)~~**10.3(a)**; or (c) any environmental claim against, or any past or present activity, operation, land ownership, or practice of, the Issuer or any of its Restricted Subsidiaries or on any of their respective Properties. Notwithstanding the foregoing, Indemnified Liabilities shall not include Taxes other than any Taxes that represent liabilities arising from any non-Tax claim.

"**Indemnified Taxes**" means Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any Obligation of any Note Party under any Note Document.

"**Indemnitee**" as defined in Section ~~10.3(a)~~**10.3(a)**.

"**Initial Financial Statements**" means (a) Issuer's audited consolidated and consolidating annual financial statements as of December 31, 2016 and (b) Issuer's unaudited consolidated and consolidating quarterly financial statements as of September 30, 2017.

"**Initial Note**" means any Note purchased by any Holder pursuant to Section 2.1, as may be evidenced by a promissory note in the form of Exhibit B.

"**Initial Reserve Report**" means an internally prepared report of the Issuer dated as of September 30, 2017, with respect to certain Oil and Gas Properties of the Issuer and the other Group Members as of June 30, 2017.

"**Institutional Investor**" means (a) any bank, trust company, savings and loan association or other financial institution, any pension plan, any investment company, any insurance company, any broker or dealer, or any other similar financial institution or entity, regardless of legal form and (b) any other Person that is a Qualified Institutional Buyer (as defined in Rule 144A promulgated under the Securities Act, as presently in effect) to the extent such Person would not reasonably be considered a competitor or Affiliate of the Issuer.

"**Intercreditor Agreement**" means that certain Intercreditor Agreement, dated as of December 15, 2017, by and among the Issuer, the other Note Parties, the Agent and the First Lien Administrative Agent, as such agreement may be amended, restated, amended and restated, supplemented or otherwise modified from time to time.

"**Interest**" as defined in Section 2.7(a).

"**Interest Payment Date**" means (a) each Quarterly Date and (b) the Maturity Date.

"**Interest Period**" means (a) ~~with respect to any Initial Notes, (i)~~ from and including the Closing Date to the next Quarterly Date, and (~~ii) thereafter, from each Quarterly Date to the next Quarterly Date and (b) with respect to any Incremental Notes, (i) from and including the issuance date of such Incremental Notes, as applicable, to the next Quarterly Date and (ii~~**b**) thereafter, from each Quarterly Date to the next Quarterly Date.

"**Investment**" means, for any Person: (a) the acquisition (whether for cash, Property, services or securities or otherwise) of Equity Interests of any other Person or any agreement to make any such acquisition (including any "short sale" or any sale of any securities at a time when such securities are not owned by the Person entering into such short sale); (b) the making of any deposit with, or advance, loan or capital contribution to, assumption of Indebtedness of, purchase or other acquisition of any other Indebtedness of, or equity participation or interest in, or other extension of credit to, any other Person (including the purchase of Property from another Person subject to an understanding or agreement, contingent or otherwise, to resell such Property to such Person, but excluding any such advance, loan or extension of credit having a term not exceeding ninety (90) days representing the purchase price of inventory, goods, supplies or services sold by such Person in the ordinary course of business); ~~or~~ (c) **[reserved]; or (d)** the entering into of any guarantee of, or other contingent obligation (including the deposit of any Equity Interests to be sold) with respect to, Indebtedness or other liability of any other Person and (without duplication) any amount committed to be advanced, lent or extended to such Person.

"**IRS**" as defined in Section 2.14(e).

"**Issuer**" as defined in the preamble hereto.

*"**LIBO Screen Rate**" has the meaning set forth in the definition of "LIBOR".*

"**LIBOR**" means, with respect to any Interest Period, the greater of (a) the three-month rate appearing on Bloomberg screen page (or on any successor or substitute page of such service, or any successor to or substitute for such service, providing rate quotations comparable to those currently provided on such page of such service, for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, as the rate for dollar deposits with a maturity comparable to such Interest Period (the "**LIBO Screen Rate**") and (b) one percent (1.0%) per annum.

~~*"**LIBO Screen Rate**" has the meaning set forth in the definition of "LIBOR".*~~

"Lien" means any interest in Property securing an obligation owed to, or a claim by, a Person other than the owner of the Property, whether such interest is based on the common law, statute or contract, and whether such obligation or claim is fixed or contingent, and including but not limited to (a) the lien or security interest arising from a mortgage, encumbrance, pledge, security agreement, conditional sale or trust receipt or a lease, consignment or bailment for security purposes or (b) production payments and the like payable out of Oil and Gas Properties. The term "Lien" shall include easements, restrictions, servitudes, permits, conditions, covenants, exceptions or reservations, including if they burden Property to the extent they secure an obligation owed to a Person other than the owner of the Property. For the purposes of this Agreement, the Issuer and the other Group Members shall be deemed to be the owner of any Property which they have acquired or hold subject to a conditional sale agreement, or leases under a financing lease or other arrangement pursuant to which title to the Property has been retained by or vested in some other Person in a transaction intended to create a financing.

"**Make-Whole Amount**" means, with respect to the Called Principal of any Note, an amount equal to the Discounted Value of the Remaining Scheduled Payments with respect to the Called Principal of such Note, provided that the Make-Whole Amount shall in no event be less than zero.

"**Make-Whole Expiry Date**" as defined in Section 2.12(g).

"**Material Adverse Effect**" means a material adverse change in, or material adverse effect on (a) the business, operations, Property, condition (financial or otherwise) of the Issuer and the other Group Members taken as a whole, (b) the ability of the Issuer or any other Note Party to perform any of its obligations under any Note Document, (c) the validity or enforceability of any Note Document or (d) the rights and remedies of or benefits available to the Agent or Holder under any Note Document.

"Material Environmental and Social Incident" means (a) an incident or accident caused by the action or inaction of any of the Note Parties or their controlled Subsidiaries that has or could reasonably be expected to have (in the good faith determination of the Issuer) a material and adverse impact on health, safety or the environment (including, in each case, as the result of the release of any Hazardous Material), or (b) a material and prolonged community or worker related grievance or protest directed solely at the Note Parties or their controlled Subsidiaries.

"**Material Indebtedness**" means Indebtedness (other than the Notes) of any one or more Group Member in an aggregate principal amount exceeding $15,000,000. For purposes of determining Material Indebtedness, the "principal amount" of the obligations of any Group Member in respect of any Swap Agreement at any time shall be the Swap Termination Value.

"**Material Subsidiary**" means, at any date of determination, each Restricted Subsidiary of the Issuer (a) whose Total Assets (when combined with the assets of such Restricted Subsidiary's Subsidiaries) at the last day of the most recent Fiscal Quarter of the Issuer for which financial statements were required to be delivered pursuant to Section 6.1 were equal to or greater than five percent (5.0%) of the Consolidated Total Assets of the Issuer and the Restricted Subsidiaries at such date or (b) whose revenues (when combined with the revenues of such Restricted Subsidiary's Subsidiaries) at the last day of the most recent Fiscal Quarter of the Issuer for which financial statements were required to be delivered pursuant to Section 6.1 were equal to or greater than five percent (5.0%) of the consolidated revenues of the Issuer and the Restricted Subsidiaries at the last day of the most recent Fiscal Quarter of the Issuer for which financial statements were required to be delivered pursuant to Section 6.1, in each case determined in accordance with GAAP; *provided* that if, at any time and from time to time after the ~~Closing~~**Second Amendment Effective** Date, Restricted Subsidiaries that are not Material Subsidiaries have, in the aggregate, (i) Total Assets (when combined with the assets of such Restricted Subsidiary's Subsidiaries) as of the last day of such Fiscal Quarter that equal, or exceed, seven and a half percent (7.5%) of the Consolidated Total Assets of the Issuer and the Restricted Subsidiaries as of such date or (ii) revenues (when combined with the revenues of such Restricted Subsidiary's Subsidiaries) during such period that equal or exceed seven and a half percent (7.5%) of the consolidated revenues of the Issuer and the Restricted Subsidiaries for such period, in each case, determined in accordance with GAAP, then the term "Material Subsidiary" shall include each such Restricted Subsidiary (starting with the Restricted Subsidiary that accounts for the most revenues or Consolidated Total Assets and then in descending order) necessary to account for at least 92.5% of the consolidated gross revenues and 92.5% of the Consolidated Total Assets, each as described in the previous sentence, so that the remaining non-Material Subsidiaries no longer satisfy such condition.

"**Maturity Date**" means the earlier of (a) December 15, ~~2024~~**2026** and (b) the date that all Notes shall become due and payable in full hereunder, whether by acceleration or otherwise.

"~~Mortgage Deadline~~**Minimum Asset Coverage Ratio**" is defined in Section ~~6.13~~7.1(~~a~~b).

"**Minimum Mortgage Requirement**" is defined in Section 6.13(a).

"**Moody's**" means Moody's Investor Services, Inc. and any successor thereto that is a nationally recognized rating agency.

"**Mortgage**" means each of the mortgages or deeds of trust executed by any one or more Note Parties for the benefit of the Secured Parties as security for the Obligations, together with any supplements, modifications or amendments thereto and assumptions or assignments of the obligations thereunder by any Note Party. "**Mortgages**" shall mean all of such Mortgages collectively.

"Mortgage Deadline" is defined in Section 6.13(a).

"**Mortgaged Property**" means any Property owned by any Note Party which is subject to the Liens existing and to exist under the terms of the Security Instruments.

"**Multiemployer Plan**" means a multiemployer plan as defined in Section 3(37) or 4001(a)(3) of ERISA.

"**Net Asset Sale Proceeds**" means, with respect to any Asset Sale, an amount equal to: (a) the sum of Cash payments and Cash Equivalents received by the Issuer or any of its Restricted Subsidiaries from such Asset Sale (including any Cash or Cash Equivalents received by way of deferred payment pursuant to, or by monetization of, a note receivable or otherwise, but only as and when so received) or, if after giving effect to such Asset Sale, the Issuer is required to prepay the Loans pursuant to Section 2.10(a)(i)(A), all consideration received by the Issuer or any of its Restricted Subsidiaries, minus (b) any bona fide costs and expenses (including, without limitation, legal, accounting and investment banking fees, and sales commissions) incurred in connection with such Asset Sale, including income or gains Taxes paid or payable as a result of such Asset Sale (after taking into account any available tax credits or deductions and any tax-sharing arrangements) or reserves taken in respect of Taxes arising as a result thereof, (c) a reasonable reserve for any indemnification payments (fixed or contingent) attributable to seller's indemnities and representations and warranties to purchaser in respect of such Asset Sale undertaken by the Issuer or any other Note Party in connection with such Asset Sale; provided that upon release of any such reserve, the amount released shall be considered Net Asset Sale Proceeds, (d) any other reasonable fees, costs and expenses payable by the Issuer or any other Note Party in connection with such Asset Sale, (e) payments applied toward amounts outstanding under Indebtedness (other than the Notes and First Lien Credit Facility) to the extent that it is secured by a Lien that is prior to the Lien created by the Security Instruments on the assets that are the subject of such Asset Sale and which must be repaid as a result of such Asset Sale and (f) payments applied towards amounts outstanding under the First Lien Credit Facility to (i) eliminate any Borrowing Base Deficiency, in an amount equal to such Borrowing Base Deficiency or (ii) pay other amounts due under the First Lien Credit Facility.

"**Net Insurance/Condemnation Proceeds**" means an amount equal to: (a) any Cash payments or Cash proceeds received by the Issuer or any of its Restricted Subsidiaries (i) under any casualty insurance policies in respect of any covered loss thereunder that constitutes a Casualty Event or (ii) as a result of the taking of any assets of the Issuer or any of its Restricted Subsidiaries by any Person pursuant to the power of eminent domain, condemnation or otherwise, or pursuant to a sale of any such assets to a purchaser with such power directly under threat of such a taking in lieu thereof, in the aggregate having a Fair Market Value in excess of $25,000,000, minus (b) (i) any actual and reasonable costs incurred by the Issuer or any of its Restricted Subsidiaries in connection with the adjustment or settlement of any claims of the Issuer or any of its Restricted Subsidiaries in respect thereof, (ii) amounts expended to repair and/or replace Property subject to such casualty, (iii) any bona fide direct costs incurred in connection with any sale of such assets as referred to in clause (a)(ii) of this definition, including income or gains Taxes paid or payable as a result thereof (after taking into account any available tax credits or deductions and any tax-sharing arrangements) or reserves taken in respect of Taxes arising as a result thereof, (iv) payments applied to any Indebtedness (other than the Notes) which is secured by a Lien upon any of the assets subject to such casualty and which much be repaid as a result of such casualty, (v) payments applied toward amounts outstanding under Indebtedness (other than the Notes and First Lien Credit Facility) to the extent that it is secured by a Lien that is prior to the Lien created by the Security Instruments on the assets that are the subject of such Asset Sale and which must be repaid as a result of such Asset Sale and (vi) payments applied towards amounts outstanding under the First Lien Credit Facility to (A) eliminate any Borrowing Base Deficiency, in an amount equal to such Borrowing Base Deficiency or (B) pay other amounts due under the First Lien Credit Facility.

~~"New Holder" as defined in Section 2.2(b).~~

~~"New Holder Supplement" as defined in Section 2.2(b).~~

"**Non-Recourse Debt**" means Indebtedness:

(a) as to which neither the Issuer nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness) or (b) is directly or indirectly liable as a guarantor or otherwise, except for Customary Recourse Exceptions; and

(b) as to which the lenders have been notified in writing that they will not have any recourse to the Equity Interest or assets of Issuer or any of its Restricted Subsidiaries (other than the Equity Interests of an Unrestricted Subsidiary), except for Customary Recourse Exceptions.

"**Non-U.S. Holder**" means a Holder that is not a U.S. Person.

"**Note Document**" means any of this Agreement, the Notes, the Security Instruments and all other certificates, documents, instruments or agreements executed and delivered by a Note Party for the benefit of Agent or any Holder in connection herewith or pursuant to any of the foregoing. Any reference in this Agreement or any other Note Document to a Note Document shall include all appendices, exhibits and schedules thereto, and all amendments, restatements, waivers, supplements or other modifications thereto.

"**Note Party**" means the Issuer and each Guarantor.

"**Note Purchase**" means a purchase by the Holders of Notes pursuant to Section 2.1.

"**Note Purchase Notice**" means a written notice by the Issuer that it will issue Notes hereunder, which Note Purchase Notice (a) sets forth the principal amount of Notes to be issued, (b) is accompanied by a general description of the anticipated use of the proceeds of such issuance, (c) contains the information required by Section 2.4 and (d) is substantially in the form of Exhibit A or such other form satisfactory to the Requisite Holders.

"**Notes**" means, collectively, the Initial Notes~~together with any Incremental Notes which may from time to time be issued pursuant to Section 2.2~~, as may be evidenced by a promissory note in the form of Exhibit B or such other form satisfactory to the Requisite Holders (such term shall also include any such notes in substitution therefore pursuant to Section 10.29 of this Agreement).

"**NYFRB**" means the Federal Reserve Bank of New York.

"**NYFRB Rate**" means, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term "NYFRB Rate" means the rate for a federal funds transaction quoted at 11:00 a.m. on such day received by the Agent from a federal funds broker of recognized standing selected by the Agent in consultation with the Requisite Holders; provided, further, that if any of the aforesaid rates shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"NYMEX Pricing" shall mean, as of any date of determination with respect to any month (a) for crude oil, the closing settlement price for the WTI Light, Sweet Crude Oil futures contract for each month, and (b) for natural gas, the closing settlement price for the Henry Hub Natural Gas futures contract for such month, in each case as reported by Bloomberg or any successor thereto (as such pricing may be corrected or revised from time to time by Bloomberg in accordance with its rules and regulations and customary practice), or if not reported by Bloomberg or any successor thereto, as published by New York Mercantile Exchange (NYMEX) on its website currently located at www.nymex.com or any successor thereto.

"**Obligations**" means all liabilities and obligations of every type of each Note Party from time to time owed to Agent (including any former Agent), the Holders, any Indemnitee, or any of them, in each case, under any Note Document to which it is a party, whether for principal, interest (including, without limitation, interest accruing at any post-default rate and interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), fees, expenses, penalties, premiums (including, without limitation, any Make-Whole Amounts), reimbursements, indemnification or otherwise and whether primary, secondary, direct, indirect, contingent, fixed or otherwise (including obligations of performance) and all renewals, extensions and/or rearrangements of any of the above.

"**OFAC**" means the Office of Foreign Assets Control of the United States Department of the Treasury.

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

~~**"Olmos Disposition" means to the Issuer's divestiture of the Group Members' interest in the AWP Olmos Field that includes approximately 29,352 net acres and 491 wells in McMullen County, Texas initially listed for sale in December 2017.**~~

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

"**Other Connection Taxes**" means with respect to the Agent or any Holder, Taxes imposed as a result of a present or former connection between the Agent or such Holder, as applicable, and the jurisdiction imposing such Tax (other than connections arising from the Agent or such Holder, as applicable, having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, or sold or assigned any interest in any Note).

"**Other Taxes**" means any and all present or future stamp, registration, recording, filing, court or documentary or similar Taxes, fees, charges or similar levies arising from any payment made hereunder or from the execution, delivery, performance, or enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to or in connection with, any Note Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment.

"**Overnight Bank Funding Rate**" means, for any day, the rate comprised of both overnight federal funds and overnight LIBOR borrowings by U.S.-managed banking offices of depository institutions, (as such composite rate shall be determined by the NYFRB as set forth on its public website from time to time) and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate (from and after such date as the NYFRB shall commence to publish such composite rate).

"**Participant**" as defined in Section 10.7(g).

"**Participant Register**" as defined in Section 10.7(g).

"**Payment in Full**" means (a) the irrevocable payment in full in cash of all principal, interest (including interest accruing during the pendency of an insolvency or liquidation proceeding, regardless of whether allowed or allowable in such insolvency or liquidation proceeding) and premium (including any Make-Whole Amount), if any, on all Notes outstanding under this Agreement, (b) the irrevocable payment in full in cash in respect of all other obligations or amounts that are outstanding under this Agreement (other than indemnity obligations for which notice of potential claim has not been given), and (c) the termination of all Commitments under this Agreement.

"**PBGC**" means the Pension Benefit Guaranty Corporation or any successor thereto.

"**Pension Act**" means the Pension Protection Act of 2006, as it presently exists or as it may be amended from time to time, or any successor thereto.

"**Perfection Certificate**" means a perfection certificate substantially in the form of Exhibit J.

"**Permitted Basis Differential Swaps**" means, as of any date of determination, basis differential swaps in respect of notional volumes that do not exceed, as of the date any such Swap Agreement is entered into, (a) ninety percent (90%) of the reasonably anticipated projected production (as such production is projected in the most recent Reserve Report delivered pursuant to the terms of this Agreement) from the Issuer's and its Restricted Subsidiaries' Oil and Gas Properties for each month during the period which such Swap Agreement is in effect for each of crude oil, natural gas and natural gas liquids, calculated separately, for the period of thirty-six (36) months following the date such Swap Agreement is entered into and (b) ninety percent (90%) of the reasonably anticipated projected production (as such production is projected in the most recent Reserve Report delivered pursuant to the terms of this Agreement) from the Issuer's and its Restricted Subsidiaries' proved, developed, producing Oil and Gas Properties for each month during the period which such Swap Agreement is in effect for each of crude oil, natural gas and natural gas liquids, calculated separately for the period of thirty-seven (37) to sixty (60) months following the date such Swap Agreement is entered into; provided that the Issuer may update the projections in clauses (a) and (b) above by providing the Agent an internal report prepared by or under the supervision of the chief engineer of the Issuer and its other Group Members and any additional information reasonably requested by the Agent that is, in each case, reasonably satisfactory to the Agent (and shall include new reasonably anticipated Hydrocarbon production from new wells or other production improvements and any dispositions, well shut-ins and other reductions of, or decreases to, production).

"**Permitted Holder**" means any Person that, on the ~~Closing~~**Second Amendment Effective** Date, is the beneficial owner, together with any of its Affiliates (but excluding any operating portfolio companies of the foregoing Persons), of Equity Interests representing 35% or more of the aggregate Voting Interests of the Issuer at such time.

"**Permitted Prior Liens**" means each Liens permitted under Sections 7.3(b) (other than Liens identified in clause (h) of the definition Excepted Liens and subject to the provisos at the end of such definition), 7.3(c) and 7.3(d).

"**Permitted Recipients**" as defined in Section 10.18.

"**Permitted Refinancing Indebtedness**" means Indebtedness (for purposes of this definition, "**New Debt**") incurred in exchange for, or proceeds of which are used to refinance, all of any other Indebtedness (the "**Refinanced Indebtedness**"); *provided* that:

(a) such New Debt is in an aggregate principal amount not in excess of the sum of (i) the aggregate principal amount then outstanding of the Refinanced Indebtedness (or, if the Refinanced Indebtedness is exchanged or acquired for an amount less than the principal amount thereof to be due and payable upon a declaration of acceleration thereof, such lesser amount) and (ii) an amount necessary to pay any fees and expenses, including premiums, related to such exchange or refinancing,

(b) such New Debt has a stated maturity no earlier than the stated maturity of the Refinanced Indebtedness and an average life no shorter than the average life of the Refinanced Indebtedness and does not restrict the prepayment or repayment of the Obligations,

(c) such New Debt contains covenants, events of default, guarantees and other terms which (other than "market" interest rate, fees, funding discounts and redemption or prepayment premiums as determined at the time of issuance or incurrence of any such Indebtedness), (i) are "market" terms as determined on the date of issuance or incurrence and (ii) in any event are not more restrictive on the Issuer and each Group Member than the terms of this Agreement (as in effect at the time of such issuance or incurrence),

(d) no Subsidiary of the Issuer (other than a Guarantor or a Person who becomes a Guarantor in connection therewith) is an obligor under such New Debt, and

(e) such New Debt (and any guarantees thereof) is subordinated in right of payment to the Obligations (or, if applicable, the Guarantee and Collateral Agreement) to at least the same extent as the Refinanced Indebtedness and subordinated on terms satisfactory to the Requisite Holders.

"**Permitted Revolver Refinancing**" means any Indebtedness in the form of a first lien reserve based credit facility of the Issuer the net proceeds of which are used to refinance or replace a First Lien Credit Facility, in whole only, from time to time; provided that (a) the principal amount of such Indebtedness does not exceed the principal amount of the Indebtedness being so refinanced, plus accrued and unpaid interest, fees and premiums, plus reasonable costs and expenses incurred in connection therewith, (b) the covenant, default and remedy provisions of such Indebtedness are not materially more restrictive to the Issuer and its Subsidiaries than those imposed by the First Lien Credit Agreement **as in effect on the Second Amendment Effective Date**, unless such provisions are proposed by the Issuer to be incorporated into the applicable Note Documents, (c) the mandatory prepayment, make-whole, prepayment premium, repurchase and redemption provisions of such Indebtedness are not more restrictive to the Issuer and its Subsidiaries than those imposed by the First Lien Credit Agreement **as in effect on the Second Amendment Effective Date**, (d) such Indebtedness is subject to the Intercreditor Agreement, (e) no Subsidiary of the Issuer is required to guarantee or secure such Indebtedness unless such Subsidiary is (or concurrently with any such guarantee becomes) a Guarantor hereunder, (f) such Indebtedness is syndicated to (or initially placed only with) one or more traditional commercial banks and (g) such Permitted Revolver Refinancing shall be limited to a reserve-based credit agreement determined or re-determined by the lenders, subject to a "borrowing base" **(**and **consistent with the requirements of the proviso in the definition of Borrowing Base) and** incurred in accordance with Sections 7.2(k) and 7.20.

"**Permitted Revolver Refinancing First Lien Credit Agreement**" means a credit agreement among the Issuer, as borrower, First Lien Administrative Agent, as administrative agent, and the other lenders and parties party thereto from time to time as amended, restated, modified or supplemented from time to time, in each case, subject to the Intercreditor Agreement and the terms hereof.

"**Person**" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

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

"**Placement Agents**" as defined in Section 5.7.

"**Plan**" means any "employee pension benefit plan", as defined in Section 3(2) of ERISA, other than a Multiemployer Plan, that is subject to Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA and which (a) is currently or hereafter sponsored, maintained or contributed to by a Group Member or an ERISA Affiliate or (b) was at any time during the six calendar years immediately preceding the date hereof, sponsored, maintained or contributed to by a Group Member or an ERISA Affiliate or to which a Group Member or an ERISA Affiliate has any liability.

"**Prime Rate**" means the rate of interest per annum publicly quoted from time to time by *The Wall Street Journal* (or, if no longer quoted by *The Wall Street Journal*, such other national publication selected by the Agent in consultation with the Issuer and which is ~~reasonable~~**reasonably** acceptable to the Requisite Holders) as the United States "prime rate".

"**Pro Rata Share**" means, as to any Holder, with respect to:

(a) Section 2.1, the percentage obtained by dividing (i) the Commitments of that Holder by (ii) the aggregate Commitments of all the Holders; and

(b) all payments, computations and other matters relating to the Notes of any Holder, the percentage obtained by dividing (i) the Exposure of that Holder by (ii) the aggregate Exposure of all the Holders.

"**Prohibited Transaction**" has the meaning assigned to such term in Section 406 of ERISA and Section 4975(c) of the Code.

"**Property**" means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, including cash, securities, accounts and contract rights.

"Proved Developed Non-Producing Reserves" means oil and gas mineral reserves that, in accordance with Petroleum Industry Standards, are classified as both "Proved Reserves" and "Developed Non-Producing Reserves".

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

"Proved PV-10" means, as of any date of determination, with respect to the Proved Reserves constituting Oil and Gas Properties of the Note Parties, the net present value of future cash flows (discounted at ten percent (10%) per annum) set forth in the ~~**Initial Reserve Report or**~~ most recent Reserve Report delivered by the Issuer pursuant to Section 6.11 (which shall be based on calculations of expected future cash flow and shall be made in accordance with the then existing standards of the Society of Petroleum Engineers); provided that (a) the discounted net present value of future cash flows shall be calculated using the Strip Price as of such date of determination and costs determined in accordance with the definition of Reserve Report~~,~~**;** (b) appropriate deductions shall be made for severance and ad valorem taxes, and for operating, gathering, transportation and marketing costs required for the production and sale of such reserves (provided that to the extent consistent with the Initial Reserve Report, certain gathering and transportation costs shall not be subject to a markup and shall be run at cost)~~,~~**;** (c) appropriate adjustments to the Strip Price shall be made for commodity and basis hedging activities permitted by this Agreement for the volumes actually hedged~~,~~**;** (d) the cash-flows derived from the pricing assumptions set forth in clause (c) above shall be further adjusted to account for the forward-looking differential; (~~d~~**e**) the value attributable to the Proved Undeveloped Reserves of the Note Parties will not account for more than ~~**twenty five**~~**thirty percent** (~~25~~**30**%) of the total Proved PV-10 of the Note Parties~~,~~**;** (f) the value attributable to the Proved Developed Non-Producing Reserves of the Note Parties shall be ~~85~~**100**% of the value that would otherwise be attributed to such Proved Developed Non-Producing Reserves; and (g) the Proved PV-10 as of any date of determination shall be calculated on a pro forma basis to give effect to all to extensions, discoveries and other additions and upward (and downward) revisions of estimates of Proved Reserves due to exploration, development or exploitation, production or other activities, acquisitions, Dispositions and production, in each case, since the date of such Reserve Report; and which such calculation shall be made by the Issuer in good faith in accordance with its reasonable judgment and consistent with past practice and reasonably acceptable to the Requisite Holders acting in good faith.

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

"Proved Undeveloped Reserves" means oil and gas mineral reserves that, in accordance with Petroleum Industry Standards, are classified as both "Proved Reserves" and "Undeveloped Reserves".

"PV-9" has the meaning given to such term in the First Lien Credit Agreement or any functionally equivalent term in a Permitted Revolver Refinancing First Lien Credit Agreement.

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

"QFC Credit Support" as defined in Section 10.31.

"**Qualified Institutional Buyer**" as defined in Section 5.11.

"**Quarterly Date**" means December 15, March 15, June 15 and September 15 of each Fiscal Year and if such day is not a Business Day, then the next succeeding Business Day.

~~**"Quarterly Period" means the period commencing on the day following any Quarterly Date and ending on the next succeeding Quarterly Date.**~~

"**Recipient**" as defined in Section 10.18.

"**Redemption**" means with respect to any Indebtedness, the repurchase, redemption, prepayment, repayment, defeasance or any other acquisition or retirement for value (or the segregation of funds with respect to any of the foregoing) of such Indebtedness. "**Redeem**" has the correlative meaning thereto.

"**Reference Period**" has the meaning assigned to such term in the definition of "EBITDA".

"**Register**" as defined in Section 2.6(b).

"**Reinvestment Yield**" means, with respect to the Called Principal of any Note, 50 basis points (one-half of one percent) over the yield to maturity implied by (a) the yields reported as of 10:00 a.m. (New York, New York time) on the second Business Day preceding the Settlement Date with respect to such Called Principal, on the display designated as "Page PX1" (or such other display as may replace Page PX1 on Bloomberg) or, if Page PX1 (or its successor screen on Bloomberg) is unavailable, the Telerate Access Service screen which corresponds most closely to Page PX1 for the most recently issued actively traded U.S. Treasury securities having a maturity equal to the Remaining Life of such Called Principal as of such Settlement Date, or (b) if such yields are not reported as of such time or the yields reported as of such time are not ascertainable (including by way of interpolation), the Treasury Constant Maturity Series Yields reported, for the latest day for which such yields have been so reported as of the second Business Day preceding the Settlement Date with respect to such Called Principal, in Federal Reserve Statistical Release H.15 (519) (or any comparable successor publication) for actively traded U.S. Treasury securities having a constant maturity equal to the Remaining Life of such Called Principal as of such Settlement Date. Such implied yield will be determined, if necessary, by (i) converting U.S. Treasury bill quotations to bond equivalent yields in accordance with accepted financial practice and (ii) interpolating linearly between (A) the actively traded U.S. Treasury security with the maturity closest to and greater than such Remaining Life and (B) the actively traded U.S. Treasury security with the maturity closest to and less than such Remaining Life. The Reinvestment Yield shall be rounded to two decimal places.

"**Related Fund**" means, with respect to any Holder that is an investment fund, any other investment fund that is engaged in investing in similar commercial loans and that is managed, advised or sub-advised by the same investment advisor as such Holder or by an Affiliate of such investment advisor. Related Fund shall, with respect to any Holder, also include any swap, special purpose vehicles purchasing or acquiring security interests in collateralized loan obligations of such Holder or any other vehicle through which such Holder's investment advisors may leverage its investments from time to time.

"**Release**" means any depositing, spilling, leaking, pumping, pouring, placing, emitting, discarding, abandoning, emptying, discharging, migrating, injecting, escaping, leaching, dumping, or disposing.

"**Remaining Life**" means, with respect to any Called Principal, the number of years (calculated to the nearest one-twelfth year) that will elapse between the Settlement Date with respect to such Called Principal and the Make-Whole Expiry Date.

"**Remaining Scheduled Payments**" means, with respect to the Called Principal of any Note, all payments of Interest in respect of such Called Principal that would be due after the Settlement Date through the Make-Whole Expiry Date with respect to such Called Principal if no payment of such Called Principal were made (assuming that the LIBOR prevailing at the time the applicable notice of prepayment is delivered or, if no such notice is given, the time of such prepayment applies through the applicable period).

"**Repayment Fee**" as defined in Section 2.12(g).

"**Reportable Event**" means any of the events set forth in Section 4043(c) of ERISA or the regulations issued thereunder, with respect to a Plan, other than those events as to which the 30-day notice has been waived in regulations issued by the PBGC.

"**Requisite Holders**" means the Holders having or holding Exposure representing more than fifty percent (50%) of the sum of the aggregate Exposure of all the Holders.

"**Reserve Report**" means the Initial Reserve Report and any other subsequent report, in form and substance reasonably satisfactory to the Requisite Holders, setting forth, as of the dates set forth in Section 6.11(a) the oil and gas reserves attributable to the Oil & Gas Properties of the Issuer and the Guarantors, together with a projection of the rate of production and future net income, taxes, operating expenses and capital expenditures with respect thereto as of such date, consistent with SEC reporting requirements at such time.

"**Reserve Report Certificate**" has the meaning set forth in Section 6.11(b).

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

"**Responsible Officer**" means, as to any Person, the chief executive officer, the president, any vice president, any corporate secretary, any Financial Officer or general counsel of such Person. Unless otherwise specified, all references to a Responsible Officer herein shall mean a Responsible Officer of the Issuer.

"**Restricted Payment**" means any dividend or other distribution or return of capital (whether in cash, securities or other Property) with respect to any Equity Interests in any Person, or any payment (whether in cash, securities or other Property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of (a) any such Equity Interests or (b) any option, warrant or other right to acquire any such Equity Interests.

"**Restricted Subsidiary**" means any Subsidiary of the Issuer that is not an Unrestricted Subsidiary.

"**S&P**" means Standard & Poor's Ratings Group, a division of The McGraw Hill Corporation, and any successor thereto that is a nationally recognized rating agency.

"**Sanctioned Country**" means, at any time, a country, region or territory which is itself the subject or target of any Sanctions (as of the Closing Date, Belarus, Burundi, Central African Republic, Crimea, Cuba, Iran, Libya, North Korea, Somalia, Sudan and Syria).

"**Sanctioned Person**" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC or the U.S. Department of State, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b).

"**Sanctions**" means all economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by OFAC or the U.S. Department of State.

"**SEC**" means the Securities and Exchange Commission or any successor Governmental Authority.

"Second Amendment" means the Second Amendment to Note Purchase Agreement dated as of November 12, 2021.

"Second Amendment Effective Date" has the meaning set forth in the Second Amendment.

"Second Amendment Interest Payment" means the accrued interest on the Second Amendment Principal Prepayment to the Second Amendment Effective Date (and subject to Section 2.12(e)) required to be paid in connection with the Second Amendment Principal Prepayment.

"Second Amendment Principal Prepayment" means the $50,000,000.00 prepayment of principal to be prepaid by the Issuer to the Holders in accordance with the Second Amendment.

"Second Amendment Transactions" means the transactions contemplated by the Second Amendment.

"**Second Offer**" as defined in Section 2.10(e).

"**Secured Parties**" means, collectively, the Agent, the Holders, and any other Person owed Obligations, and "Secured Party" means any of them individually.

"**Securities Account**" has the meaning assigned to such term in the UCC.

"**Securities Act**" means the Securities Act of 1933, as amended from time to time, and any successor statute.

"**Security Instruments**" means each of the Guarantee and Collateral Agreement, the Mortgages, the Intercreditor Agreement and all other instruments, documents and agreements delivered by any Note Party pursuant to this Agreement or any of the other Note Documents in order to (a) grant to Agent, for the benefit of the Secured Parties, a Lien on any Collateral or (b) set forth the relative priorities of any Lien on any Collateral, as any of the foregoing may be amended, restated, supplemented or otherwise modified from time to time.

"**Settlement Date**" means, with respect to the Called Principal of any Note, the date on which such Called Principal is to be prepaid pursuant to Section 2.9 or Section 2.10 as the context requires.

"**Specified Change in Control**" means a "Change in Control" or "Change of Control" (or any other defined term having a similar purpose or meaning) as defined in any First Lien Loan Document.

"**Specified Excluded Date**" means March 31, May 31, June 30, September 30, November 30 and December 31 of each calendar year and if such day is not a Business Day, then the immediately preceding Business Day.

"Strip Price" shall mean, at any time, (a) for each remaining month of the current calendar year, the monthly NYMEX Pricing for the remaining contracts in the current calendar year, (b) for each of the succeeding five complete calendar years, the monthly NYMEX Pricing for each of the twelve months in each such calendar year, and (c) for the succeeding sixth complete calendar year, and for each calendar year thereafter, the annual monthly average of the sum of the NYMEX Pricing of the preceding fifth calendar year.

"**Subsidiary**" means, as to any Person, a corporation, partnership, limited liability company or other entity of which a majority of the Voting Interests are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise qualified, all references to a "Subsidiary" or to "Subsidiaries" in this Agreement shall refer to a direct or indirect Subsidiary or Subsidiaries of the Issuer.

"Supported QFC" as defined in Section 10.31.

"**Swap Agreement**" means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement, whether exchange traded, "over-the-counter" or otherwise, involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of any Group Member shall be a Swap Agreement.

"**Swap Mark-to-Market Value**" means, as of any date of determination, the net mark to market value of the Group Members' Swap Agreements with Approved Counterparties in respect of commodities then in effect.

"**Swap Obligation**" means, with respect to any person, any obligation to pay or perform under any Swap **Agreement**.

"**Swap Termination Value**" means, in respect of any one or more Swap Agreements, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Agreements, (a) for any date on or after the date such Swap Agreements have been closed out and termination value(s) determined in accordance therewith, such termination value(s) and any unpaid amounts and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Agreements, as determined by the counterparties to such Swap Agreements.

"**Tax**" means any present or future tax, levy, impost, duty, assessment, charge, fee, deduction or withholding of any nature and whatever called, imposed, levied, collected, withheld or assessed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"**Tax on the Overall Net Income**" of a Person means any net income (however denominated), franchise or branch profits Tax imposed on a Person by the jurisdiction (or any political subdivision thereof) (a) in which a Person is organized or in which that Person's applicable principal office (and/or, in the case of a Holder, its Applicable Office) is located or (b) in which that Person (and/or, in the case of a Holder, its Applicable Office) is deemed to be doing business or as a result of a present or former connection between such Person and the jurisdiction imposing such Tax (other than a jurisdiction in which such Person is treated as doing business or having a connection as a result of its entering into any Note Document or its participation in the transactions governed thereby).

"**Tax Related Person**" means any Person (including a beneficial owner of an interest in a pass-through entity) who is required to include in income amounts realized (whether or not distributed) by Agent, a Holder or any Tax Related Person of any of the foregoing.

"**Total Assets**" means, as of any date of determination with respect to any Person, the amount that would, in accordance with GAAP, be set forth opposite the caption "total assets" (or any like caption) on a balance sheet of such Person at such date.

"**Total Net Indebtedness**" means, at any date, all Indebtedness (other than Indebtedness under clauses (f) with respect to guarantees of Indebtedness not constituting ~~Total Debt~~**Indebtedness**, (i) and (l) of the definition thereof) of the Issuer and the Consolidated Restricted Subsidiaries on a consolidated basis, excluding the undrawn portion and/or contingent obligations arising under, or in respect of letters of credit, bank guarantees and surety or other bonds and similar instruments; provided that net Swap Obligations to the extent such obligations are due and payable and not paid on such date shall constitute Total ~~Debt~~**Net Indebtedness**, calculated net of unrestricted Cash and Cash Equivalents, in each case, held by the Issuer and its Consolidated Restricted Subsidiaries; provided that such unrestricted Cash and Cash Equivalents and restricted Cash and Cash Equivalents (x) shall be determined in accordance with GAAP and (y) for purposes of this definition shall not exceed $15,000,000, in the aggregate.

"**Transactions**" means the transactions contemplated by the Note Documents to occur on the Closing Date.

"**U.S. Person**" means a "United States person" within the meaning of Section 7701(a)(30) of the Code.

"U.S. Special Resolution Regimes" as defined in Section 10.31.

"**U.S. Tax Compliance Certificate**" as defined in Section 2.14(e)(iii).

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

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

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

"**Unrestricted Subsidiary**" means any Subsidiary of the Issuer which the Issuer has designated in writing to the Agent to be an Unrestricted Subsidiary pursuant to Section 6.17(c) and satisfies the requirements to be an Unrestricted Subsidiary as set forth in Section 6.17.

"**Unwind**" means, with respect to any Swap Agreement, the early termination, unwind, cancelation or other Disposition of any such Swap Agreement. "**Unwound**" shall have a meaning correlative to the foregoing.

"**USA ~~PATRIOT~~Patriot Act**" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. 107-56), as amended.

"Volumetric Production Payments" means production payment obligations recorded as deferred revenue in accordance with GAAP, together with all undertakings and obligations in connection therewith.

"**Voting Interest**" of any specified Person as of any date means the Equity Interest of such Person entitling the holders thereof (whether at all times or only so long as no senior class of Equity Interest has voting power by reason of any contingency) to vote in the election of members of the Board of Directors of such Person; provided that with respect to a limited partnership or other entity which does not have a Board of Directors, Voting Interest means the Equity Interest of the general partner of such limited partnership or other business entity with the ultimate authority to manage the business and operations of such Person.

~~**"Wholly-Owned Subsidiary" means any Subsidiary of which all of the outstanding Equity Interests (other than any directors' qualifying shares mandated by applicable law), on a fully-diluted basis, are owned by the Issuer, the Guarantors and/or one or more of the Wholly-Owned Subsidiaries.**~~

"**Wholly-Owned Material Subsidiary**" means any Material Subsidiary of which all of the outstanding Equity Interests (other than any directors' qualifying shares mandated by applicable law), on a fully-diluted basis, are owned by the Issuer, the Guarantors and/or one or more of the Wholly-Owned Subsidiaries.

"**Wholly-Owned ~~Domestic~~ Subsidiary**" means any ~~Domestic~~ Subsidiary of which all of the outstanding Equity Interests (other than any directors' qualifying shares mandated by applicable law), on a fully-diluted basis, are owned by the Issuer, the Guarantors and/or one or more of the Wholly-Owned Subsidiaries.

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

1.3 Accounting Terms.

~~.~~ **(a)** Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all determinations with respect to accounting matters hereunder shall be made, and all financial statements and certificates and reports as to financial matters required to be furnished to the Agent or the Holders hereunder shall be prepared, in accordance with GAAP, applied on a basis consistent with the financial statements delivered pursuant to Section ~~4.4(a)~~**6.1(a)**, except for Accounting Changes (as defined below) with which the Issuer's independent certified public accountants concur and which are disclosed to the Agent on the next date on which financial statements are required to be delivered to the Holders pursuant to Section 6.1(a). In the event that any "Accounting Change" shall occur and such change results in a change in the method of calculation of financial covenants, standards or terms in this Agreement, then the Issuer and the Requisite Holders agree to enter into negotiations in order to amend such provisions of this Agreement so as to reflect equitably such Accounting Changes with the desired result that the criteria for evaluating the Issuer's financial condition shall be the same after such Accounting Changes as if such Accounting Changes had not been made. Until such time as such an amendment shall have been executed and delivered by the Issuer, the Agent and the Requisite Holders, all financial covenants, standards and terms in this Agreement shall continue to be calculated or construed as if such Accounting Changes had not occurred. "Accounting Changes" refers to changes in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Financial Accounting Standards Board of the American Institute of Certified Public Accountants or, if applicable, the SEC.

(b) Notwithstanding anything to the contrary contained in Section 1.3(a) or in the definition of "Finance Lease Obligations," any change in accounting for leases pursuant to GAAP resulting from the adoption of Financial Accounting Standards Board Accounting Standards Update No. 2016-02, Leases (Topic 842), to the extent such adoption would require treating any lease (or similar arrangement conveying the right to use) as a finance lease where such lease (or similar arrangement) would not have been required to be so treated under GAAP as in effect on December 31, 2018, such lease shall not be considered a finance lease, and all calculations and deliverables under this Agreement or any other Note Document shall be made or delivered, as applicable, in accordance therewith.

1.4 Interpretation, etc. Any of the terms defined herein may, unless the context otherwise requires, be used in the singular or the plural, depending on the reference. References herein to any Section, Appendix, Schedule or Exhibit shall be to a Section, an Appendix, a Schedule or an Exhibit, as the case may be, hereof unless otherwise specifically provided. References herein to a Schedule shall be considered a reference to such Schedule as of the Closing Date **(unless otherwise specifically provided)**. The use herein of the word "include" or "including," when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not no limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that fall within the broadest possible scope of such general statement, term or matter. Unless otherwise indicated, any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein); provided that, subject to the restrictions on amendments of the First Lien Credit Facility set forth herein, with respect to terms used herein that have the meanings ascribed to them in the First Lien Credit Agreement or any functionally equivalent term, such terms shall have the meaning ascribed to them on the date hereof if any such amendment, supplement or modification to the meaning of such terms in the First Lien Credit Agreement or Permitted Revolver Refinancing First Lien Credit Agreement, as applicable, would be adverse to the Holders. The use herein of the phrase "to the knowledge of" with respect to a Note Party shall be a reference to the knowledge the Responsible Officers of the applicable Note Party. Unless otherwise specified, whenever any obligation required hereunder shall be stated to be due or performed on a day that is not a Business Day, such obligation shall be required on the next succeeding Business Day and such extension of time shall be included in the satisfaction of the obligation required hereunder.

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

Article II.
PURCHASE AND SALE OF NOTES

2.1 Note Purchase

. Subject to the terms and conditions hereof, on the Closing Date, Issuer shall issue to each Holder, and each Holder shall purchase from Issuer (so long as all conditions precedent required hereby shall have then been satisfied or waived), a Note in an aggregate principal amount equal to such Holder's Pro Rata Share of $200,000,000.

2.2 ~~Incremental Facility~~[Reserved].

~~**(a)General. Subject to the conditions set forth in Section 3.2, the Issuer and any one or more Holders (including New Holders) may from time to time after the Closing Date agree that the Issuer shall issue additional Notes ("Incremental Notes") to such Holders by executing and delivering to the Agent an Increased Facility Activation Notice specifying (i) the amount of such increase, (ii) the applicable Increased Facility Closing Date, (iii) the applicable interest for such Incremental Notes and (iv) the maturity date for such Incremental Notes, which may not be earlier than the Maturity Date; provided, that if the total yield (calculated for both the Incremental Notes and the existing Notes, including any upfront fees, any interest rate floors, and any original issue discount, but excluding any arrangement, underwriting or similar fee paid by the Issuer in respect of any Incremental Notes exceeds by more than 0.50% per annum the total yield for the existing Notes (it being understood that any such increase may take the form of original issue discount, with original issue discount being equated to the interest rates in a manner determined by the Agent equal to the average life to maturity of the Incremental Notes), then the interest for the existing Notes shall be increased so that the total yield in respect of such Incremental Notes is no more than 0.50% higher than the total yield for the existing Notes. In addition, (1) the aggregate principal amount of Incremental Notes issued shall not exceed the Incremental Amount, (2) without the consent of the Agent, (x) each increase effected pursuant to this Section 2.2(a) shall be in a minimum amount of at least $25,000,000 and in $5,000,000 increments in excess thereof and (y) no more than six (6) Increased Facility Closing Dates may be selected by the Issuer after the Closing Date, (i) such Incremental Notes shall not have (x) a shorter weighted average life to maturity than the Initial Notes or (y) provide for any voluntary, or require any mandatory, prepayments other than those set forth in this Agreement and on a pro rata basis, and (i) the Incremental Notes shall rank pari passu in right of payment and security with the outstanding Notes. No Holder shall have any obligation to participate in any increase described in this Section 2.2(a) unless it agrees to do so in its sole discretion.**~~

~~**(b)New Holder Supplement. Any additional bank, financial institution or other entity which elects to become a "Holder" under this Agreement in connection with any transaction described in Section 2.2(a) shall be approved by the Agent (such approval not to be unreasonably withheld) and execute a New Holder Supplement (each, a "New Holder Supplement"), substantially in the form of Exhibit F, whereupon such bank, financial institution or other entity (a "New Holder") shall become a Holder for all purposes and to the same extent as if originally a party hereto and shall be bound by and entitled to the benefits of this Agreement.**~~

~~**(c)Amendments. In addition to the foregoing, each of the parties hereto hereby agrees that, on each Increased Facility Activation Date, this Agreement shall be amended to the extent (but only to the extent) appropriate to effectuate the existence and terms of the Incremental Notes evidenced thereby. Any such deemed amendment may be effected in writing by the Agent and the Issuer and furnished to the other parties hereto.**~~

2.3 The Notes. The obligation of Issuer to repay to each Holder the aggregate amount of all Notes held by such Holder, together with interest accruing in connection therewith, shall be evidenced by Notes, as applicable, made by Issuer payable to such Holder or its registered assigns with appropriate insertions. Interest on each Note shall accrue and be due and payable as provided herein or in the applicable Note. Each Note shall be due and payable as provided herein and shall be due and payable in full on the Maturity Date. Issuer may not issue, repay, and reissue hereunder or under the Notes.

2.4 Requests for Notes. Issuer must give to Agent written or electronic notice (or telephonic notice promptly confirmed in writing) of any requested Note Purchase of Notes to be issued to, and purchased by, the Holders. Each such notice constitutes a "**Note Purchase Notice**" hereunder and must:

(a) specify the aggregate amount of any such Note Purchase and the date on which such Notes are to be purchased (which date shall not be a Specified Excluded Date); and

(b) be received by Agent no later than 10:00 a.m., New York, New York time, three (3) Business Days prior to the date on which any such Notes are to be purchased, which Note Purchase Notice shall be delivered to the Holders from the Agent no later 10:00 a.m., New York, New York time one Business Day following receipt by the Agent thereof (provided that the Note Purchase Notice for the Notes purchased on the Closing Date may be delivered to the Agent and the Holders on the Closing Date).

Each such written request or confirmation must be made in the form and substance of the Note Purchase Notice, duly completed. Each such telephonic request shall be deemed a representation, warranty, acknowledgment and agreement by Issuer as to the matters that are required to be set out in such written confirmation. Upon receipt of any such Note Purchase Notice, Agent shall give each Holder prompt notice of the terms thereof. If all conditions precedent to such new Notes have been met, each Holder will on the date requested promptly remit to Agent, at Agent's Account, the amount of such Holder's new Note in immediately available funds, and upon receipt of such funds, the Agent shall promptly make such funds available to the Issuer and the Issuer will deliver such Notes to the Agent or counsel for the Holders who shall promptly make such Notes available to each Holder. The failure of any Holder to purchase any Note hereunder shall not relieve any other Holder of its obligation hereunder, if any, to purchase its Note, but no Holder shall be responsible for the failure of any other Holder to purchase any Note hereunder.

2.5 Use of Proceeds. The proceeds of the Notes shall be used on the Closing Date to repay certain "Loans" (as defined in the First Lien Credit Agreement) under the First Lien Credit Agreement and on the Closing Date and thereafter to fund working capital, pay fees and expenses incurred in connection with the Transactions and provide working capital for exploration, development and production operations, to finance acquisitions in compliance with the terms of this Agreement (including under Section 7.7) and for general corporate purposes.

2.6 Evidence of Indebtedness; Register; the Holders' Books and Records; Notes.

(a) The Holders' Evidence of Indebtedness. Each Holder shall maintain in its internal records an account or accounts evidencing the Obligations of the Issuer to such Holder, including the amounts of the Notes held by such Holder and each repayment and prepayment in respect thereof. The failure to make any such recordation, or any error in such recordation, shall not affect any Obligations in respect of any applicable Notes. In the event of any inconsistency between the Register and any Holder's records, the recordations in the Register shall govern.

(b) Register. Agent shall maintain at Agent's Office a register for the recordation of the names and addresses of the Holders and principal amounts (and stated interest) of the Notes owing to, each Holder pursuant to the terms hereof from time to time (the "**Register**"). The Register shall be available for inspection by the Issuer, and a redacted version of the Register showing the entries with respect to any Holder shall be available for inspection by such Holder, at any reasonable time and from time to time upon reasonable prior notice. The entries in the Register shall be conclusive and binding on the Note Parties, the Agent and each Holder, absent manifest error; provided, failure to make any such recordation, or any error in such recordation, shall not affect the Note Parties' Obligations in respect of any Note. The Issuer, the Agent and the Holders shall treat each Person in whose name any Note shall be registered as the owner and the Holder thereof for all purposes hereof. The Issuer hereby designates the entity serving as Agent to serve as the Issuer's agent solely for purposes of maintaining the Register as provided in this Section 2.6, and the Agent shall be entitled to all of the rights, privileges and immunities afforded to it hereunder in the performance of such duties.

2.7 Interest; Fees.

(a) Interest. Each Note shall at all times bear interest at a rate equal to the Applicable Margin then in effect (as such amount may be increased pursuant to Section 2.7(c)), paid in cash ("**Interest**").

(b) Interest Payment Dates. Interest on each Note shall be due and payable on each Interest Payment Date to the Holders of record in the Register on such Interest Payment Date; provided that, if Interest on any Note is required to be paid on any Settlement Date pursuant to Section 2.9 or Section 2.10, and such Settlement Date is not a Quarterly Date, then the amount of Interest due and payable on the next succeeding Interest Payment Date will be reduced by the amount of interest accrued to such Settlement Date and required to be paid on such Settlement Date pursuant to such Section 2.9 or Section 2.10. All interest payable hereunder shall be computed on the basis of a year of 360 days, unless such computation would exceed the Highest Lawful Rate, in which case interest shall be computed on the basis of a year of 365 days (or 366 days in a leap year), except that interest computed by reference to the ABR at times when the ABR is based on the Prime Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(c) Default Interest. Notwithstanding the foregoing, (i) if an Event of Default under Sections 8.1(a), (b), (h) or (i) has occurred and is continuing the principal amount of all Notes outstanding and, to the extent permitted by applicable law, any due and unpaid interest payments on the Notes or any fees or other amounts owed hereunder (other than default interest occurring under this Section 2.7(c)) shall thereafter bear interest (including post-petition interest in any proceeding under the Bankruptcy Code or other applicable bankruptcy laws, whether or not allowed in such a proceeding) payable in Cash on demand at a rate that is two percent (2.0%) per annum in excess of the interest rate otherwise payable hereunder with respect to the Notes (without giving effect to this Section 2.7(c)) and (ii) if any other Event of Default has occurred and is continuing, and the Requisite Holders so elect, the principal amount of all Notes outstanding and, to the extent permitted by applicable law, any due and unpaid interest payments on the Notes or any fees or other amounts owed hereunder (other than default interest occurring under this Section 2.7(c)), shall from the date of occurrence of such Event of Default bear interest (including post-petition interest in any proceeding under the Bankruptcy Code or other applicable bankruptcy laws, whether or not allowed in such a proceeding) payable in Cash on demand at a rate that is two percent (2.0%) per annum in excess of the interest rate otherwise payable hereunder with respect to the Notes (without giving effect to this Section 2.7(c)) (which election may be revoked by the Requisite Holders notwithstanding any provision of Section 10.6(b) requiring the consent of "each Holder that would be affected thereby" for reductions of interest rates on the Notes). Payment or acceptance of the increased rates of interest provided for in this Section 2.7(c) is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of Agent or any Holder.

(d) Agent Fee. Issuer will pay to Agent for its own account, a fee as set forth in the Collateral Agent and Loan Agency Services, dated as of November 20, 2017, between the Agent and the Issuer.

(e) Calculations. The Agent shall as soon as practicable (but in any event no later than three (3) Business Days prior to any Interest Payment Date or the date of any other amount payable under this Section 2.7) notify the Issuer and the Holders of the effective date and the amount of each Interest, fee or other payment under this Section 2.7. Each determination of an interest rate, interest payment amount or fee payment amount by the Agent pursuant to any provision of this Agreement shall be conclusive and binding on the Issuer and the Holders in the absence of manifest error. Concurrent with each notice delivered pursuant to this Section 2.7(e), the Agent shall deliver to the Issuer and each Holder a statement showing the quotations used by the Agent in determining any interest rate, if applicable, and the calculations related to any interest payment amount or fee payment amount.

2.8 Repayment of Notes. If any principal or interest amount payable under the Notes remains outstanding on the Maturity Date, such amount will be paid in full by Issuer to the Agent on behalf of the Holders in immediately available funds on the Maturity Date, together with any amounts required to be paid pursuant to Section 2.7 and Section 2.12(g).

2.9 Voluntary Prepayments. The Issuer may prepay the Notes on any Business Day (other than a Specified Excluded Date) in whole or in part (together with any amounts due pursuant to Section 2.7 and Section 2.12(g)) in an aggregate minimum amount equal to (a) if being paid in whole, the Obligations and (b) if being paid in part, $5,000,000 and integral multiples of $1,000,000 in excess of that amount. All such prepayments shall be made upon not less than eight (8) Business Days prior written or telephonic notice, in each case given to Agent by 12:00 p.m. (New York, New York time) on the date required and, if given by telephone, promptly confirmed in writing to Agent and which notice shall be delivered to the Holders from the Agent no later than 12:00 p.m. (New York, New York time) one Business Day following receipt by the Agent thereof. Upon the giving of any such notice, the principal amount of the Notes specified in such notice shall become due and payable on the prepayment date specified therein; provided, that any notice of prepayment described above may provide that such prepayment is conditioned upon the satisfaction of one of more conditions precedent. Any such voluntary prepayment shall be applied as specified in Section 2.11. **Notwithstanding anything to the contrary, for purposes of this Agreement, the Second Amendment Principal Prepayment shall be treated as a voluntary prepayment made pursuant to this Section 2.9; provided, that (i) the advance notice requirements of this Section 2.9 shall apply to such Second Amendment Principal Prepayment and (ii) the Settlement Date of such Second Amendment Principal Prepayment shall be the Second Amendment Effective Date (subject to the occurrence thereof).**

2.10 Mandatory Prepayments.

(a) Asset Sales and Hedge Receipts.

(i) Other than with respect to Net Asset Sale Proceeds attributable to an Asset Sale permitted by Section 7.11(a), (c), (f) and (g), to the extent that the aggregate Cash consideration in respect of any Asset Sale and/or Unwind is equal to or in excess of $25,000,000 individually or, together with all other such Asset Sales and Unwinds during the term of this Agreement, $100,000,000 in the aggregate~~, in each case excluding Net Asset Sale Proceeds attributable to the Olmos Disposition~~:

(A) if, on a *pro forma* basis after giving effect to such Asset Sale(s) and/or Unwinds(s), the Asset Coverage Ratio for the Issuer and its Consolidated Restricted Subsidiaries as of such date is equal to or less than 1.25 to 1.00, then, within 10 days after receipt of such Net Asset Sale Proceeds and/or Hedge Receipts the Issuer (x) may (and if required thereunder, shall) apply such Net Asset Sale Proceeds and/or Hedge Receipts to prepay the Loans (as defined in the First Lien Credit Agreement or any functionally equivalent term in a Permitted Revolver Refinancing First Lien Credit Agreement) in accordance with clause (C)(1) below and/or (y) to the extent such Net Asset **Sale** Proceeds and Hedge Receipts are not fully applied under clause (x) above, make an offer to all the Holders to apply such Net Asset Sale Proceeds and/or Hedge Receipts to prepay the Notes under this Agreement in accordance with Section 2.10(a)(ii); and

(B) if, on a *pro forma* basis after giving effect to such Asset Sale(s) and/or Unwinds(s), the Asset Coverage Ratio for the Issuer and its Consolidated Restricted Subsidiaries as of such date is greater than 1.25 to 1.00, then, within 365 days after date of receipt of such Net Asset Sale Proceeds and/or Hedge Receipts, the Issuer shall apply such Net Asset Sale Proceeds and/or Hedge Receipts in any one or more of the options under the following clause (C);

(C) (1) prepay Loans (as defined in the First Lien Credit Agreement or any functionally equivalent term in a Permitted Revolver Refinancing First Lien Credit Agreement); provided that in connection with any such prepayment of Loans, the Issuer will cause the related maximum aggregate credit amount, Borrowing Base, and commitments under the First Lien Credit Agreement or Permitted Revolver Refinancing First Lien Credit Agreement in existence on the date of such prepayment (if any) to be permanently reduced by an amount equal to the principal amount so retired (for the avoidance of doubt and notwithstanding anything herein to the contrary, these provisions will not prohibit the Issuer and the Note Parties from increasing the maximum aggregate credit amounts, Borrowing Base and commitments under the First Lien Credit Agreement or Permitted Revolver Refinancing First Lien Credit Agreement at a later date); provided, further, that nothing will restrict the Issuer from temporarily prepaying Loans under the First Lien Credit Agreement or Permitted Revolver Refinancing First Lien Credit Agreement pending application of such amounts pursuant to this Section 2.10(a)(i)(C); (2) offer to prepay the Notes outstanding under this Agreement in accordance with Section 2.10(a)(ii); and/or (3) so long as no Event of Default has occurred or is continuing, invest in Oil and Gas Properties (including drilling and completion costs of existing Oil and Gas Properties); provided that (x) Net Asset Sale Proceeds and Hedge Receipts attributable to Collateral may only be invested in assets that are or will become Collateral and (y) promptly following any determination by the Issuer of an election to invest Net Asset Sale Proceeds and/or Hedge Receipts pursuant to this Section 2.10(a)(i)(C)(3), the Issuer shall deliver to the Agent (for delivery to the Holders) a certificate of a Responsible Officer of the Issuer specifying that the Issuer intends to reinvest such Net Asset Sale Proceeds and/or Hedge Receipts.

(ii) Any Net Asset Sale Proceeds and/or Hedge Receipts from Asset Sale(s) and/or Unwind(s) that are received in the case of Section 2.10(a)(i)(A) or are not applied or invested as required by Section 2.10(a)(i)(B) will be deemed to constitute "**Excess Proceeds**". On or before, (x) the 10th day referenced in Section 2.10(a)(i)(A), in the case of Section 2.10(a)(i)(A), (y) the date elected by the Issuer in the case of Section 2.10(a)(i)(C)(3)(y), and (z) the 365th day in case of Section 2.10(a)(i)(B), if the Issuer has not earlier made an offer to prepay under Section 2.10(a)(i)(C)(3)(y), in each case after an applicable Asset Sale and/or Unwind, the Issuer shall make an offer (a "**Specified Offer**") in accordance with Sections 2.10(d) and 2.10(e) to all the Holders to prepay the maximum principal amount of Notes that may be prepaid out of the Excess Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount of the Notes plus accrued and unpaid interest to the date of purchase, in accordance with the procedures established by the Requisite Holders for such offer. To the extent that the aggregate amount of Notes so validly offered for prepayment or tendered and not properly withdrawn pursuant to a Specified Offer in accordance with Section 2.10(e) is less than the Excess Proceeds, the Issuer may use any remaining Excess Proceeds for working capital and general corporate purposes and to repay any other Indebtedness, subject to the other covenants contained in this Agreement. If the aggregate principal amount of Notes offered for prepayment or surrendered by the Holders, collectively, exceeds the amount of Excess Proceeds, the Agent shall select the Notes to be prepaid or purchased on a pro rata basis based on the aggregate principal amount of tendered Notes. Upon completion of the Specified Offer, the amount of Excess Proceeds will be reset at zero.

The Issuer shall make each offer for prepayment under this Section 2.10 in accordance with Sections 2.10 and 2.12.

(b) Insurance/Condemnation Proceeds. Promptly after the date of receipt by or on behalf of the Issuer or any of its Restricted Subsidiaries (or any Affiliate on behalf thereof), or Agent as sole loss payee of any Net Insurance/Condemnation Proceeds, the Issuer shall offer to prepay the Notes in an aggregate amount equal to such Net Insurance/Condemnation Proceeds within 10 days from the later of the date of such event giving rise to such Net Insurance/Condemnation Proceeds or the receipt of such Net Insurance/Condemnation Proceeds; provided that, so long as no Event of Default shall have occurred and is continuing, the Issuer shall have the option at any time to invest such Net Insurance/Condemnation Proceeds within 365 days after receipt thereof in assets of the general type used in the business of the Group Members (including drilling and completion costs of existing Oil and Gas Properties and related assets); provided that (i) Net Insurance/Condemnation Proceeds attributable to an event in respect of Collateral may only be invested in assets that are or will become Collateral, and (ii) if the Issuer abandons its intent to reinvest such Net Insurance/Condemnation Proceeds or any such Net Insurance/Condemnation Proceeds are not reinvested with 365 days of the event giving rise to such Net Insurance/Condemnation Proceeds, any remaining portion of the Net Insurance/Condemnation Proceeds shall be deemed to be Excess Proceeds under Section 2.10(a)(ii) and the Issuer shall be required to make an offer to prepay the Notes in the same manner as contemplated under Section 2.10(a)(ii) as if Net Insurance/Condemnation Proceeds were Excess Proceeds under Section 2.10(a)(ii) that had not been applied or reinvested with 365 days. In connection with any offer of prepayment under this Section 2.10(b), the Issuer shall provide to Agent a notice in accordance with Section 2.10(d).

(c) Issuance of Indebtedness. On the date of receipt by or on behalf of the Issuer or any of its Restricted Subsidiaries (or any Affiliate on behalf thereof) of any Cash proceeds from the incurrence of any Indebtedness (other than Indebtedness that is permitted hereunder) of such Note Party, the Issuer shall, offer to prepay the Notes in an aggregate amount equal to one hundred percent (100%) of such proceeds (net of (x) any amounts required to be prepaid under the First Lien Credit Facility and (y) any underwriting discounts and commissions and other reasonable costs and expenses associated therewith, including reasonable legal fees and expenses). In connection with any prepayment under this Section 2.10(c), the Issuer shall immediately provide to Agent a prepayment notice in accordance with Section 2.10(d) to prepay the Notes eight (8) Business Days after delivery of such notice.

(d) Prepayment Notice. In connection with any offer to make prepayment required by Sections 2.10(a), 2.10(b) and 2.10(c), the Issuer shall provide prior written or telephonic notice thereof, in each case given to Agent by 12:00 p.m. (New York, New York time) at least eight (8) Business Days' prior to the date of such prepayment, if given by telephone, promptly confirmed in writing to Agent and which notice shall be delivered to the Holders from the Agent no later than 12:00 p.m. (New York, New York time) one Business Day following receipt by the Agent of such written notice (or written confirmation, if telephonic notice thereof is given). Each such notice shall include the calculation of the amount of the applicable proceeds giving rise to the prepayment and the amount that is available to prepay the Notes. In the event that the Issuer shall subsequently determine that the actual amount received exceeded the amount set forth in such notice, the Issuer shall promptly make an additional offer to make prepayment of the Notes in an amount equal to such excess, and the Issuer shall concurrently therewith deliver to Agent a notice of offer to make such prepayment demonstrating the calculation of such excess.

(e) Holder Right to Waive. Notwithstanding anything in this Agreement to the contrary, each Holder, in its sole discretion, may, but is not obligated to, decline the Issuer's offer to make any prepayment pursuant to this Section 2.10, in each case, with respect to such Holder's Pro Rata Share of such prepayment. Promptly after the date of receipt of the notice required by Section 2.10(d), the Agent shall provide written notice (the "**First Offer**") to the Holders of the amount available to prepay the Notes within one (1) Business Day of receipt of the applicable notice. Any Holder declining such prepayment (a "**Declining Holder**") shall give written notice thereof to the Agent by 10:00 a.m. New York, New York time no later than five (5) Business Days after the date of such notice from the Agent (the "**First Offer Deadline**") and on such date the Agent shall provide notice of the aggregate amount accepted for prepayment pursuant to the First Offer to the Issuer. The Issuer shall prepay the Notes accepted for prepayment pursuant to the First Offer no later than the date specified for such prepayment in the First Offer in the amount set forth in the applicable notice from the Agent. Additionally, on the First Offer Deadline (or earlier if the Agent has received responses from all Holders) the Agent shall then provide written notice (the "**Second Offer**") to the Holders other than the Declining Holders (such Holders being the "**Accepting Holders**") of the additional amount available (due to such Declining Holders' declining such prepayment) to prepay Notes owing to such Accepting Holders, such available amount to be allocated on a pro rata basis among the Accepting Holders that accept the Second Offer. Any Holders declining prepayment pursuant to such Second Offer shall give written notice thereof to the Agent by 10:00 a.m. New York, New York time no later than five (5) Business Days after the date of such notice of a Second Offer. The Issuer shall prepay the Notes accepted for prepayment pursuant to the Second Offer within one Business Day after its receipt of notice from the Agent of the aggregate amount of such prepayment. Amounts remaining after the allocation of accepted amounts with respect to the First Offer and the Second Offer to Accepting Holders shall be retained by the Issuer in accordance with Section 2.10.

(f) Notwithstanding anything in this Section 2.10 to the contrary, the Issuer shall not be required to make any mandatory prepayment of the Notes pursuant to this Section 2.10(a) and (b) if the proceeds otherwise required to be applied to such mandatory prepayment are required to be applied to a prepayment under the First Lien Credit Agreement.

2.11 Application of Payments. ~~Any~~**Except with respect to the Second Amendment Principal Prepayment and the Second Amendment Interest Payment, any**payment of any Note made pursuant to Sections 2.8, 2.9 or 2.10 shall be applied as follows:

(a) first, to payment or reimbursement of that portion of the Obligations constituting fees, expenses and indemnities payable to the Agent in its capacity as such;

(b) second, pro rata to payment or reimbursement of that portion of the Obligations constituting fees, expenses and indemnities payable to the Holders and the other Indemnitees listed under Section 10.3 under the Note Documents;

(c) third, pro rata to payment of accrued Interest (including interest at the Default Rate, if any) on the Notes;

(d) fourth, pro rata to pay the Make-Whole Amount, Repayment Fee or other amount due and payable pursuant to Section 2.12(g), if any, on the Notes (including, for the avoidance of doubt, any Make-Whole Amount, any Repayment Fee or other amount due and payable pursuant to Section 2.12(g) resulting from the prepayment of principal under clause fifth below);

(e) fifth, pro rata to payment of principal outstanding on the Notes which have not yet been reimbursed by or on behalf of the Issuer at such time;

(f) sixth, pro rata to any other Obligations; and

(g) seventh, any excess, after all of the Obligations shall have been indefeasibly paid in full in cash, shall be paid to the Issuer or as otherwise required by any Governmental Requirement.

Notwithstanding the foregoing or anything to the contrary, (i) the Second Amendment Principal Prepayment shall be applied solely in accordance with clause (e) above without regard to any other provision in this Section 2.11 and (ii) the Second Amendment Interest Payment shall be applied solely in accordance with clause (c) above without regard to any other provision in this Section 2.11.

2.12 General Provisions Regarding Payments.

(a) All payments by the Issuer of principal, interest, fees and other Obligations shall be made in Dollars in same day funds without recoupment, setoff, counterclaim or other defense, and delivered to Agent not later than 12:00 p.m. (New York, New York time) on the date due to Agent's Account for the account of the Holders; funds received by Agent after that time on such due date shall be deemed to have been paid by the Issuer on the next Business Day.

(b) All prepayments in respect of the principal amount of any Note shall be accompanied by payment of accrued interest on the principal amount being repaid or prepaid **(and in the case of the Second Amendment Principal Prepayment, such payment of the Second Amendment Principal Prepayment shall be accompanied by the Second Amendment Interest Payment)**.

(c) Agent shall promptly distribute to each Holder at such address as such Holder shall indicate in writing, such Holder's applicable Pro Rata Share of all payments and prepayments of principal and interest due hereunder, together with all other amounts due thereto, including all fees payable with respect thereto, to the extent received by Agent.

(d) Whenever any payment to be made hereunder shall be stated to be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business Day and such extension of time shall be included in the computation of the payment of interest hereunder. No payment shall be made on a Specified Excluded Date.

(e) Agent shall deem any payment by or on behalf of the Issuer hereunder that is not made in same day funds at or prior to 12:00 p.m. (New York, New York time) to be a non-conforming payment. Any such payment shall not be deemed to have been received by Agent until the later of (i) the time such funds become available funds, and (ii) the next Business Day. Interest and fees shall continue to accrue on any principal as to which a non-conforming payment is made until such funds become available funds (but in no event less than the period from the date of such payment to the next succeeding Business Day) at the applicable rate determined pursuant to Section 2.7(a) from the date such amount was due and payable until the date such amount is paid in full.

(f) If an Event of Default shall have occurred and not otherwise been waived, all payments or proceeds received by Agent hereunder in respect of any of the Obligations shall be applied first, to payment or reimbursement of that portion of the Obligations constituting fees, expenses and indemnities payable to the Agent (including any costs and expenses related to foreclosure or realization upon, or protecting, Collateral) in its capacity as such, second, pro rata to payment or reimbursement of that portion of the Obligations constituting fees, expenses and indemnities payable to the Holders and the other Indemnitees listed under Section 10.3 under the Note Documents, third, pro rata to payment of accrued Interest (including interest at the Default Rate, if any) on the Notes, fourth, pro rata to pay the Make-Whole Amount, Repayment Fee or other amount due and payable pursuant to Section 2.12(g), if any, on the Notes (including, for the avoidance of doubt, any Make-Whole Amount, any Repayment Fee or other amount due and payable pursuant to Section 2.12(g) resulting from the prepayment of principal under clause fifth below), fifth, pro rata to payment of principal outstanding on the Notes which have not yet been reimbursed by or on behalf of the Issuer at such time, sixth, pro rata to any other Obligations, and seventh, any excess, after all of the Obligations shall have been indefeasibly paid in full in cash, shall be paid to the Issuer or as otherwise required by any Governmental Requirement.

(g) Make Whole Amount; Repayment Fee. Upon any prepayment of the Notes (except for any prepayment made pursuant to Section 2.10(a) or (b) while no Event of Default has occurred and is continuing), whether such prepayment occurs as a result of an acceleration of the Notes pursuant to Section 8.2 (whether automatic or optional acceleration) following an Event of Default or otherwise or at the Issuer's option, which the Issuer may, upon notice as provided below, make for all (or any portion) of the Notes, the Issuer shall make an additional payment to the Agent for the account of the Holders in an aggregate amount equal to (x) if such prepayment or acceleration occurs on or prior to the twenty-four (24) month anniversary of the Closing Date (the "**Make-Whole Expiry Date**"), the Make-Whole Amount determined for the prepayment date with respect to such principal amount plus 2.0% of the principal of such prepaid or accelerated amount plus any accrued and unpaid interest and other amounts due thereon or (y) if such prepayment or acceleration occurs thereafter, a fee (the "**Repayment Fee**"), in an amount equal to the product of (X) if such prepayment or acceleration occurs following the Make-Whole Expiry Date but on or prior to the thirty-six (36) month anniversary of the Closing Date, 2.0% of the principal of such prepaid or accelerated amount, (Y) if such prepayment occurs following the thirty-six (36) month anniversary of the Closing Date but on or prior to the ~~forty-eighth~~**sixtieth** (~~48~~**60**) month anniversary of the Closing Date, 1.0% of the principal of such prepaid or accelerated amount, and (Z) if such prepayment occurs following the ~~forty-eighth~~**sixtieth** (~~48~~**60**) month anniversary of the Closing Date, 0.0% of such prepaid or accelerated amount plus in each case, any accrued and unpaid interest and other amounts due thereon. **Notwithstanding the foregoing, the Repayment Fee shall not apply to the Second Amendment Principal Prepayment and the Second Amendment Interest Payment.**

(h) Presentment of the Notes by the Holder is not a condition to receipt of payment on the Maturity Date or any earlier redemption.

2.13 Ratable Sharing. Holders hereby agree among themselves that, except as otherwise provided in the Security Instruments with respect to amounts realized from the exercise of rights with respect to Liens on the Collateral, if any of them shall, whether by voluntary payment (other than a voluntary prepayment of Notes purchased and applied in accordance with the terms hereof), through the exercise of any right of set off or banker's lien, by counterclaim or cross action or by the enforcement of any right under the Note Documents or otherwise, or as adequate protection of a deposit treated as cash collateral under the Bankruptcy Code, receive payment or reduction of a proportion of the aggregate amount of principal, interest, fees and other amounts then due and owing to such Holder hereunder or under the other Note Documents (collectively, the "**Aggregate Amounts Due**" to such Holder) which is greater than the proportion received by any other Holder in respect of the Aggregate Amounts Due to such other Holder, then the Holder receiving such proportionately greater payment shall (a) notify Agent and each other Holder of the receipt of such payment and (b) apply a portion of such payment to purchase Notes (which it shall be deemed to have purchased from each seller of a Note simultaneously upon the receipt by such seller of its portion of such payment) in the ratable Aggregate Amounts Due to the other the Holders so that all such recoveries of Aggregate Amounts Due shall be shared by all the Holders in proportion to the Aggregate Amounts Due to them; provided, if all or part of such proportionately greater payment received by such purchasing Holder is thereafter recovered from such Holder upon the bankruptcy or reorganization of the Issuer or otherwise, those purchases to that extent shall be rescinded and the purchase prices paid for such Notes shall be returned to such purchasing Holder ratably to the extent of such recovery, but without interest. The Issuer expressly consents to the foregoing arrangement and agrees that any Holder of a Note so purchased may exercise any and all rights of banker's lien, set off or counterclaim with respect to any and all monies owing by the Issuer to that Holder with respect thereto as fully as if that Holder were owed the amount of the Note held by that Holder.

2.14 Taxes; Withholding, etc.

(a) Payments to Be Free and Clear. All sums payable by or on account of any Note Party hereunder and under the other Note Documents shall (except to the extent otherwise required by law) be paid free and clear of, and without any deduction or withholding on account of, any Tax imposed, levied, collected, withheld or assessed by any Governmental Authority.

(b) Withholding of Taxes. If any Note Party or the Agent is required by law to make any deduction or withholding for or on account of any Tax from any sum paid or payable under any of the Note Documents: (i) the Issuer shall notify the Agent of any such requirement or any change in any such requirement as soon as the Issuer becomes aware of it; (ii) the Issuer or the Agent shall be entitled to make such deduction or withholding and shall pay (or cause to be paid) any such Tax to the relevant Governmental Authority before the date on which penalties attach thereto; (iii) if such Tax is an Indemnified Tax, the sum payable by such Note Party in respect of which the relevant deduction or withholding is required shall be increased to the extent necessary to ensure that after any such deduction or withholding of Indemnified Tax, the Agent or such Holder, as the case may be, and each of their Tax Related Persons receives on the due date a net sum equal to what it would have received had no such deduction or withholding been required; and (iv) within thirty (30) days after making any such deduction or withholding, the Issuer shall deliver to the Agent evidence satisfactory to the other affected parties of such deduction or withholding and of the remittance thereof to the relevant taxing or other authority; provided, no such additional amount shall be required to be paid to any Holder or the Agent under clause (iii) above for, (A) in the case of a Holder, any U.S. federal withholding Tax in effect and applicable (1) as of the date hereof (in the case of each Holder listed on the signature pages hereof on the Closing Date) or, in the case of a Tax Related Person, the date the Tax Related Person becomes a beneficiary of any Equity Interests in the applicable Holder, (2) on the effective date of the Assignment Agreement pursuant to which such Holder became a Holder (in the case of each other Holder), or (3) on the date the Holder changes its Applicable Office, except in each case to the extent that, pursuant to this Section 2.14, amounts with respect to such U.S. federal withholding Taxes were payable to such Holder's assignor (including each of their Tax Related Persons) immediately before such Holder becomes a party hereto or such Holder immediately before such Holder changed its Applicable Office, (B) any Tax on the Overall Net Income of the Holder or its Tax Related Persons, (C) any U.S. federal withholding Tax imposed under FATCA or (D) any Tax attributable to the Holder's or the Agent's failure to comply with Section 2.14(e) (all such amounts described in (A), (B), (C) and (D), "**Excluded Taxes**").

(c) Other Taxes. In addition and without duplication, the Note Parties shall pay all Other Taxes to the relevant Governmental Authorities in accordance with applicable law. The Note Parties shall deliver to Agent official receipts or other evidence of such payment reasonably satisfactory to the Requisite Holders in respect of any Taxes or Other Taxes payable hereunder promptly after payment of such Taxes or Other Taxes.

(d) Indemnification. The Note Parties shall indemnify the Agent and each Holder and their respective Tax Related Persons, within ten (10) days after written demand therefor, for the full amount of any Indemnified Taxes paid or incurred by the Agent or such Holder or their respective Tax Related Persons, as the case may be, relating to, arising out of, or in connection with any Note Document or any payment or transaction contemplated hereby or thereby, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority and all reasonable expenses and costs arising therefrom or with respect thereto. Any indemnification under this Section 2.14(d) shall be made such that after all required deductions and payments of all Indemnified Taxes and any reasonable expenses and costs, the Agent, each relevant Holder and their respective Tax Related Persons receives and retains an amount equal to the sum it would have received and retained from the Note Parties had it not paid or incurred or been subject to such Indemnified Taxes or expenses and costs. A certificate as to the amount of such payment or liability delivered to the Issuer by a Holder (with a copy to the Agent), or by the Agent on its own behalf or on behalf of a Holder, shall be conclusive absent manifest error. Notwithstanding the foregoing, the Note Parties shall not be required to indemnify the Agent and the Holders under this Section 2.14(d) in duplication of Indemnified Taxes covered by Sections 2.14(b) or (c).

(e) Administrative Requirements; Forms Provision. Each Holder that is a U.S. Person for U.S. federal income tax purposes shall deliver to the Issuer and the Agent, on or prior to the Closing Date (in the case of each Holder listed on the signature pages hereof on the Closing Date) or on or prior to the date of the Assignment Agreement pursuant to which it becomes a Holder (in the case of each other Holder), and at such other times as may be necessary in the determination of the Issuer or Agent (each in the reasonable exercise of its discretion), two executed copies of Internal Revenue Service (the "**IRS**") Form W-9 establishing an exemption from U.S. federal backup withholding tax. Each Holder that is a Non-U.S. Holder shall, to the extent it is legally entitled to do so, deliver to the Issuer and the Agent, on or prior to the Closing Date (in the case of each Holder listed on the signature pages hereof on the Closing Date) or on or prior to the date of the Assignment Agreement or joinder agreement pursuant to which it becomes a Holder (in the case of each other Holder), and at such other times as may be necessary in the determination of the Issuer or Agent (each in the reasonable exercise of its discretion), whichever of the following described in clauses (i) through (iv) below is applicable, accurately completed and in a manner reasonably acceptable to the Issuer and the Agent:

(i) in the case of a Non-U.S. Holder claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Note Document, two executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty, and (y) with respect to any other applicable payments under any Note Document, two executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(ii) two executed copies of IRS Form W-8ECI;

(iii) in the case of a Non-U.S. Holder claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (A) a certificate substantially in the form of Exhibit G-1 to the effect that such Non-U.S. Holder is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Issuer within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "**U.S. Tax Compliance Certificate**") and (B) two executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E; or

(iv) to the extent a Non-U.S. Holder is not the beneficial owner of a Note, two executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-2 or Exhibit G-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Non-U.S. Holder is a partnership and one or more direct or indirect partners of such Non-U.S. Holder are eligible to claim the portfolio interest exemption, such Non-U.S. Holder shall provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-4 on behalf of each such direct and indirect partner.

Each Holder required to deliver any forms, certificates or other evidence with respect to U.S. federal income tax withholding matters pursuant to this Section 2.14(e) hereby agrees, from time to time after the initial delivery by such Holder of such forms, certificates or other evidence, whenever a lapse in time or change in circumstances renders such forms certificates or other evidence obsolete or inaccurate in any respect, that such Holder shall promptly deliver to Agent and the Issuer two new executed copies of IRS Form W-8BEN, IRS Form W-8BEN-E, IRS Form W-8IMY or IRS Form W-8ECI (or any successor form(s) of any of the foregoing), and as applicable, a U.S. Tax Compliance Certificate properly completed and duly executed by such Holder, and such other documentation required under the Code and reasonably requested by the Issuer to confirm or establish that such Holder is not subject to deduction or withholding of U.S. federal income Tax with respect to payments to such Holder under the Note Documents or is subject to deduction or withholding at a reduced rate, or notify Agent and the Issuer of its inability to deliver any such forms, certificates or other evidence.

On or before the date on which the Agent (and an successor replacement Agent) becomes the Agent, it shall deliver to the Issuer two executed copies of either (i) IRS Form W-9 or (ii) a U.S. branch withholding certificate on IRS Form W-8IMY evidencing its agreement with the Issuer to be treated as a United States person within the meaning of Section 7701(a)(30) of the Code (with respect to amounts received on account of any Lender) and IRS Form W-8ECI (with respect to amounts received on its own account), with the effect that, in either case, the Issuer will be entitled to make payments hereunder to the Agent without withholding or deduction on account of U.S. federal withholding Tax and backup withholding tax. The Agent (or, upon assignment or replacement, any assignee or successor) agrees that if any form or certification it previously delivered expires or becomes obsolete, it shall update such form or certification or promptly notify the Issuer in writing of its inability to do so.

(f) If a payment made to a Holder under any Note Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Holder were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Holder shall deliver to the Issuer and the Agent at the time or times prescribed by law and at such time or times reasonably requested by the Issuer or the Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Issuer or the Agent as may be necessary for the Issuer and the Agent to comply with their obligations under FATCA and to determine that such Holder has complied with such Holder's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this Section 2.14(f), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(g) The parties agree that for U.S. federal and other applicable income tax purposes, (i) the Notes shall be treated as "debt", and (ii) the Notes shall not be treated as "contingent payment debt instruments" under Section 1.1275-4 of the United States Treasury Regulations (or any corresponding provision of state income tax law).

2.15 Alternate Rate of Interest

(a) If prior to the commencement of any Interest Period:

(i) the Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining LIBOR (including, without limitation, because the LIBO Screen Rate is not available or published on a current basis), for such Interest Period; or

(ii) the Agent is advised by the Requisite Holders that LIBOR for such Interest Period will not adequately and fairly reflect the cost to such Holders (or Holder) of its purchasing or maintaining their Notes (or its Note) for such Interest Period;

then the Agent shall give notice thereof to the Issuer and the Holders by ~~telephone~~**written or electronic notice** as promptly as practicable thereafter and, until the Agent notifies the Issuer and the Holders that the circumstances giving rise to such notice no longer exist, (A) any Notes requested to be issued and purchased on the first day of such Interest Period shall be issued and purchased as ABR Notes and (B) any outstanding Notes shall be converted, on the last day of the then-current Interest Period, to ABR Notes.

(b) If at any time the Agent ~~determines~~**or Requisite Holders determine**(which determination shall be conclusive and binding absent manifest error) that (i) the circumstances set forth in clause (a)(i) have arisen and such circumstances are unlikely to be temporary or (ii) the circumstances set forth in clause (a)(i) have not arisen but the supervisor for the administrator of the LIBO Screen Rate or a Governmental Authority has made a public statement identifying a specific date after which the LIBOR Screen Rate shall no longer be used for determining interest rates, the Requisite Holders and the Issuer shall negotiate in good faith to establish an alternate rate of interest to LIBOR that gives due consideration to the then prevailing market convention in the United States at such time for determining a rate of interest for notes or loans comparable in character to the outstanding Notes, and the Issuer, the Agent and the Requisite Holders shall enter into an amendment to this Agreement (which shall be binding on all Holders) to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable. Until an alternate rate of interest shall be determined in accordance with this clause (b) (but, in the case of the circumstances described in clause (ii) of the first sentence of this Section 2.15(b), only to the extent the LIBOR Screen Rate for such Interest Period is not available or published at such time on a current basis), (x) any Notes requested to be issued and purchased shall be issued and purchased as ABR Notes and (y) any outstanding Notes shall be converted, on the last day of the then-current Interest Period, to ABR Notes. **The Agent and the Requisite Holders do not warrant or accept responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the rates in the definition of "LIBOR" or with respect to any rate that is an alternative or replacement for or successor to any such rate (including, without limitation, any such alternate rate of interest established under this Section 2.15(b)) or the effect of any of the foregoing.**

ARTICLE III.
CONDITIONS PRECEDENT

3.1 Closing Date. The obligation of each Holder to purchase Notes on the Closing Date is subject to the satisfaction, or waiver in accordance with Section 10.6, of the following conditions on or before the Closing Date:

(a) Note Documents. The Agent (for delivery to the Holders) shall have received sufficient copies of each Note Document originally executed and delivered by each Note Party.

(b) Organizational Documents; Incumbency. The Agent shall have received a certificate of a Responsible Officer of each Note Party setting forth (i) resolutions of its board of directors or other appropriate governing body with respect to the authorization of such Note Party to execute and deliver the Note Documents to which it is a party and to enter into the transactions contemplated in those documents, (ii) the officers of such Note Party (A) who are authorized to sign the Note Documents to which such Note Party is a party and (B) who will, until replaced by another officer or officers duly authorized for that purpose, act as its representative for the purposes of signing documents and giving notices and other communications in connection with this Agreement and the transactions contemplated hereby, (iii) specimen signatures of such authorized officers and (iv) the articles or certificate of incorporation and by-laws or other applicable Organizational Documents of such Note Party, certified by a Responsible Officer as being true and complete. The Agent and the Holders may conclusively rely on such certificate until the Agent receives notice in writing from such Note Party to the contrary.

(c) Corporate Status; Good Standing Certificates. The Agent shall have received certificates of the appropriate State agencies with respect to the existence, qualification and good standing of each Note Party in each jurisdiction where any such Note Party is organized.

(d) Title to Oil and Gas Properties. The Agent (for delivery to the Holders) shall have received title information as the Requisite Holders may require, reasonably satisfactory to the Requisite Holders, setting forth the status of title to at least 85% of the PV-9 of the Oil and Gas Properties constituting Proved Reserves evaluated in the Initial Reserve Report.

(e) Purchase Date. The date of purchase of the Notes shall be a Business Day but not a Specified Excluded Date.

(f) Initial Reserve Report. The Agent (for delivery to the Holders) shall have received a copy of the Initial Reserve Report in a form reasonably satisfactory to the Requisite Holders.

(g) Personal Property Collateral. In order to create in favor of the Agent, for the benefit of the Secured Parties, a valid, perfected second priority security interest in substantially all personal property Collateral of the Note Parties, the Agent shall have received:

(i) evidence reasonably satisfactory to the Requisite Holders of the compliance by each Note Party of its respective obligations under the Guarantee and Collateral Agreement and the other Security Instruments to which it is party (including its obligation to deliver UCC financing statements); and

(ii) (A) the results of a recent search satisfactory to the Requisite Holders, of all effective UCC financing statements made with respect to any personal or mixed property of each Note Party in the applicable jurisdictions, together with copies of all such filings disclosed by such search that will not be terminated on the Closing Date and (B) UCC termination statements for filing in all applicable jurisdictions as may be necessary to terminate any effective UCC financing statements disclosed in such search that do not constitute Liens permitted by Section 7.3;

(h) Environmental Reports. The Agent (for delivery to the Holders) shall have received reports and/or other information, in form, scope and substance reasonably satisfactory to the Requisite Holders, regarding environmental matters relating to the Oil and Gas Properties.

(i) Evidence of Insurance. The Agent (for delivery to the Holders) shall have received evidence satisfactory to the Requisite Holders in their reasonably discretion that all insurance required to be maintained pursuant to Section 6.6 is in full force and effect, together with all other endorsements and other requirements set forth in Section 6.6.

(j) Opinions of Counsel to Note Parties. The Agent (for delivery to the Holders) shall have received an opinion of (i) Vinson & Elkins LLP, counsel for the Note Parties and (ii) local counsel in any jurisdictions where Security Instruments will be recorded to perfect second priority Liens on any Oil and Gas Properties, in each case in form and of substance reasonably satisfactory to the Requisite Holders.

(k) Expenses. The Issuer shall have paid to the Agent all invoiced amounts (with reasonable detail) payable pursuant to Section 10.2.

(l) Solvency Certificate. The Agent shall have received a solvency certificate, duly executed by a Financial Officer and dated as of the Closing Date and addressed to Agent and the Holders, and in form, scope and substance reasonably satisfactory to the Requisite Holders.

(m) Closing Date Certificate. The Issuer shall have delivered to Agent (for delivery to the Holders) an originally executed Closing Date Certificate, together with all attachments thereto.

(n) Due Diligence. Each Holder and its counsel shall be satisfied with a due diligence review of each Note Party's material agreements, including, but not limited to, satisfactory review of operating agreements, marketing agreements, transportation agreements, processing agreements and other material agreements governing or relating to the Note Parties' Oil and Gas Properties. Each Holder and its counsel shall be satisfied with a due diligence review of the Issuer and each Note Party.

(o) No Material Adverse Effect. Since December 31, 2016, no event, circumstance or change shall have occurred that has caused or could reasonably be expected to result in, either individually or in the aggregate, a Material Adverse Effect.

(p) Funds Flow. The Agent shall have received at least two (2) Business Days prior to the Closing Date (or such shorter time period that is acceptable to the Requisite Holders) a funds flow memorandum, in form and substance reasonably satisfactory to the Requisite Holders.

(q) Note Purchase Notice. The Agent shall have received a fully-executed Note Purchase Notice.

(r) Other Indebtedness. The Requisite Holders shall be satisfied that the Note Parties have no outstanding Indebtedness except for Indebtedness permitted pursuant to Section 7.2 and the Note Parties shall not be in default with respect to such Indebtedness.

(s) Financial Statements. The Agent (for delivery to the Holders) shall have received the Initial Financial Statements.

(t) Fees. The Issuer shall have paid any other amounts due on or prior to the Closing Date under and as set forth in the Fee Letter.

(u) First Lien Loan Documents. The Agent (for delivery to the Holders) shall have received certified copies of the First Lien Credit Agreement and, to the extent requested by the Requisite Holders, any other First Lien Loan Documents, in each case including all amendments thereto, fully executed by all parties thereto, each of which shall be in form and substance reasonably satisfactory to the Requisite Holders.

(v) Representations and Warranties. The representations and warranties of the Issuer set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date except to the extent any representation or warranty set forth in this Agreement contains qualifiers such as "material", "in all material respects," "except as could not reasonably be expected to result in, either individually or in the aggregate, a Material Adverse Effect" or similar qualifying language or similar qualifiers, then such representation or warranty shall be true and correct as of such date (unless such representations and warranties are stated to relate to a specific earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date).

(w) No Default or Event of Default. At the time of and immediately after giving effect to the issuance of such Notes, (i) no Default or Event of Default shall have occurred and be continuing and (ii) no Default (as defined in the First Lien Credit Agreement) or Event of Default (as defined in the First Lien Credit Agreement) shall have occurred and be continuing.

(x) No Litigation. There shall not exist any action, suit, investigation, litigation or proceeding or other legal or regulatory developments, pending or threatened in any court or before any arbitrator or Governmental Authority that, in the reasonable opinion of the Requisite Holders, singly or in the aggregate, impairs any of the transactions contemplated by the Note Documents.

(y) Discount. The Notes shall be purchased net of the discount described in Discount Letter.

The Agent shall notify the Issuer and the Holders of the Closing Date, and such notice shall be conclusive and binding. Notwithstanding the foregoing, the obligations of the Holders to purchase Notes hereunder shall not become effective unless each of the foregoing conditions is satisfied (or waived pursuant to Section 10.6) at or prior to 4:00 p.m., New York, New York time, on December 29, 2017 (and, in the event such conditions are not so satisfied or waived, the Commitments shall terminate at such time).

3.2 [Reserved].

~~**3.2 Conditions to Purchase of Incremental Notes. The obligation of each Holder to purchase any Incremental Note is subject to the satisfaction of the following conditions:**~~

~~**(a) The representations and warranties of the Issuer set forth in this Agreement shall be true and correct in all material respects on and as of the date of any such purchase of Incremental Notes except to the extent any representation or warranty set forth in this Agreement contains qualifiers such as "material", "in all material respects," "except as could not reasonably be expected to result in, either individually or in the aggregate, a Material Adverse Effect" or similar qualifying language or similar qualifiers, then such representation or warranty shall be true and correct as of such date (unless such representations and warranties are stated to relate to a specific earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date).**~~

~~**(b) At the time of and immediately after giving effect to the issuance of such Incremental Notes, (i) no Default or Event of Default shall have occurred and be continuing and (ii) no Default (as defined in the First Lien Credit Agreement on the date hereof, or any functionally equivalent term) or Event of Default (as defined in the First Lien Credit Agreement on the date hereof, or any functionally equivalent term) has occurred and is continuing (and that has not been waived).**~~

~~(c) The Issuer shall have delivered an Incremental Facility Activation Notice executed by a Responsible Officer of the Issuer and shall comply with any other requirements set forth in Section 2.2.~~

~~(d) The Agent shall have received a fully-executed Note Purchase Notice.~~

~~(e) The Issuer shall have delivered a certificate of a Responsible Officer of the Issuer, certifying that and otherwise demonstrating in reasonable detail that, as of the date of issuance of such Incremental Notes, the Issuer's Asset Coverage Ratio (*determined by reference to the most recently delivered Reserve Report* or another Reserve Report with an effective date reasonably acceptable to the Holders purchasing such Incremental Notes) calculated on a pro forma basis (upon and after giving effect to the issuance of Incremental Notes) will not be less than 1.25 to 1.00 as of the last day of the most recently ended Fiscal Quarter for which financial statements have been delivered hereunder.~~

~~(f) The date of purchase of the Incremental Notes shall be a Business Day but not a Specified Excluded Date.~~

~~(g) The Agent (for delivery to the Holders) shall have received reports and/or other information, in form, scope and substance reasonably satisfactory to the Requisite Holders purchasing the Incremental Notes, regarding the Issuer and each Note Party's compliance with the Minimum Mortgage Requirement.~~

~~Each issuance of Incremental Notes shall be deemed to constitute a representation and warranty by the Issuer on the date thereof as to the matters specified in paragraphs (a) and (b) of this Section 3.2.~~

ARTICLE IV.
REPRESENTATIONS AND WARRANTIES

In order to induce the Holders to enter into this Agreement and to purchase their respective Notes, the Issuer represents and warrants to Agent and each Holder that:

4.1 Organization; Powers. Each Group Member is (a) (i) duly organized, validly existing and (ii) in good standing under the laws of the jurisdiction of its organization, (b) has all requisite power and authority, and has all governmental licenses, authorizations, consents and approvals necessary, to own its assets and to carry on its business as now conducted, and is qualified to do business in, and (c) is in good standing in, every material jurisdiction where such qualification is required, except, for purposes of clauses (a)(ii), (b) and (c) hereof, to the extent that a failure to be so qualified could not reasonably be expected to result in a Material Adverse Effect.

4.2 Authority; Enforceability. The Transactions **and the Second Amendment Transactions** are within each Group Member's corporate or equivalent powers and have been duly authorized by all necessary corporate or equivalent and, if required, owner action. Each Note Document to which a Note Party is a party has been duly executed and delivered by it and constitutes its legal, valid and binding obligation, as applicable, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

4.3 Approvals; No Conflicts. The Transactions **and the Second Amendment Transactions** (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority or any other third Person, nor is any such consent, approval, registration, filing or other action necessary for the validity or enforceability of any Note Document or the consummation of the transactions contemplated thereby, except such as have been obtained or made and are in full force and effect other than the recording and filing of financing statements and the Security Instruments as required by this Agreement (b) will not violate (i) in any material respect, any applicable law or regulation or any order of any Governmental Authority or (ii) the Organizational Documents of any Note Party, (c) will not violate or result in a default under any indenture, note, credit agreement or other similar instrument binding upon any Group Member or its Properties, or give rise to a right thereunder to require any payment to be made by any Group Member and (d) will not result in the creation or imposition of any Lien on any Property of any Group Member (other than the Liens created by the Note Documents and the Liens under the First Lien Loan Documents).

4.4 Financial Condition; No Material Adverse Change.

(a) The Issuer has heretofore furnished to the Holders its consolidated balance sheet and statements of income, stockholders equity and cash flows as of and for the fiscal year ended December 31, 2016, reported on by BDO USA, LLP independent public accountants. Such financial statement presents fairly, in all material respects, the financial position and results of operations and cash flows of the Issuer and its Consolidated Restricted Subsidiaries as of such dates and for such periods.

(b) The most recent financial statements furnished pursuant to Section 6.1(a), present fairly, in all material respects, the financial condition of Issuer and its Consolidated Restricted Subsidiaries on a consolidated basis, as of the dates and for the periods set forth above in accordance with GAAP, subject to year-end audit adjustments and the absence of footnotes in the case of the unaudited quarterly financial statements.

(c) Since the later of (i) the date hereof and (ii) date of the financial statements most recently delivered pursuant to Section 6.1(a), and after giving effect to the Transactions **and the Second Amendment Transactions**, there has been no event, development or circumstance that has had or could reasonably be expected to have a Material Adverse Effect.

(d) Neither the Issuer nor any other Group Member has on the date of this Agreement any Indebtedness (including Disqualified Capital Stock) or any contingent liabilities, off-balance sheet liabilities or partnerships, liabilities for taxes, or unusual forward or long-term commitments or unrealized or anticipated losses from any unfavorable commitments other than in respect of the Obligations and First Lien Secured Obligations.

4.5 Litigation. There are no actions, suits, investigations or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of the Issuer, threatened by, against or affecting any Group Member any of their respective properties or revenues that (a) are not fully covered by insurance (except for normal deductibles) as to which there is a reasonable possibility of an adverse determination that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect or (b) involve any Note Document or the Transactions **or the Second Amendment Transactions**.

4.6 Environmental Matters. Except for such matters that, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect:

(a) the Group Members and any property with respect to which any Group Member has any interest or obligation are in compliance with all, and have not violated any, applicable Environmental Laws;

(b) (i) the Group Members and all relevant Persons for any property with respect to which any Group Member has any interest or obligation hold and are in compliance with all, and have not violated any, Environmental Permits required for their respective operations and each of their respective properties; (ii) all such Environmental Permits are in full force and effect; and (iii) no Group Member has received any notice or otherwise has knowledge that any such Environmental Permit may be revoked, adversely modified, or not renewed, or that any application for any Environmental Permit may be protested or denied or that the anticipated terms thereof may be adversely modified;

(c) (i) there are no actions, claims, demands, suits, investigations or proceedings under any Environmental Laws or regarding any Hazardous Materials that are pending or, to the Issuer's knowledge, threatened, against any Group Member or regarding any property with respect to which any Group Member has any interest or obligation, or as a result of any operations of any Group Member or any other Person regarding any property with respect to which any Group Member has any interest or obligation; and (ii) there are no consent decrees or other decrees, consent orders, administrative orders or other administrative, arbitral or judicial requirements outstanding under any Environmental Laws or regarding any Hazardous Materials, directed to any Group Member or as to which any Group Member is a party, or regarding any property with respect to which any Group Member has any interest or obligation;

(d) (i) there has been no Release or, to the Issuer's knowledge, threatened Release, of Hazardous Materials attributable to the operations of any Group Member at, on, under or from any Group Member's current or formerly owned, leased or operated property or at any other location (including, to the Issuer's knowledge, any location to which Hazardous Materials have been sent for re-use, recycling, treatment, storage or disposal) for which any Group Member could be liable, and (ii) Hazardous Materials are not otherwise present at any such properties or other locations, in either (i) or (ii) above, in amounts or concentrations or under conditions which constitute a violation of any applicable Environmental Law, could reasonably be expected to give rise to any liability, or, with respect to any Mortgaged Property, could reasonably be expected to impair its fair saleable value;

(e) no Group Member, nor to the Issuer's knowledge any other Person for any property with respect to which any Group Member has any interest or obligation, has received any written notice of violation, alleged violation, non-compliance, liability or potential liability or request for information regarding Environmental Laws or Hazardous Materials, and, to the Issuer's knowledge, there are no conditions or circumstances that would reasonably be expected to result in the receipt of any such notice or request for information;

(f) no Group Member has assumed or retained any liability under applicable Environmental Laws or regarding Hazardous Materials that could reasonably be expected to result in liability to any Group Member; and

(g) to the extent reasonably requested by the Requisite Holders, the Group Members have provided to Holders complete and correct copies of all environmental site assessment reports, investigations, studies, analyses, and correspondence on environmental matters (including matters relating to any alleged non-compliance with or liability under Environmental Laws) that are in any Group Member's possession or control and relating to their respective Properties or operations thereon.

4.7 Compliance with Laws and Agreements; No Defaults.

(a) Each Group Member is in compliance with all Governmental Requirements applicable to it or its Property and all agreements and other instruments binding upon it or its Property, and possesses all licenses, permits, franchises, exemptions, approvals and other governmental authorizations necessary for the ownership of its Property and the conduct of its business, except to the extent that any failure of the foregoing could not reasonably be expected to result in a Material Adverse Effect.

(b) No Default has occurred and is continuing.

4.8 Investment Company Act. No Group Member is an "investment company" or a company "controlled" by an "investment company," within the meaning of, or subject to regulation under, the Investment Company Act of 1940, as amended.

4.9 Taxes. Each Group Member has timely filed or caused to be filed all income Tax returns and material other Tax returns and reports required to have been filed (taking into account any extension of time to file) and has paid or caused to be paid all material Taxes required to have been paid by it, except Taxes that are being contested in good faith by appropriate proceedings and for which the applicable Group Member has set aside on its books adequate reserves in accordance with GAAP. To the knowledge of Issuer, no material proposed tax assessment has been asserted with respect to any Group Member.

4.10 ERISA. Except as could not, whether individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect:

(a) each Plan is, and has been, operated, administered and maintained in compliance with, and the Issuer and each ERISA Affiliate have complied with, ERISA, the terms of the applicable Plan and, where applicable, the Code;

(b) no act, omission or transaction has occurred which could result in imposition on any the Issuer or any ERISA Affiliate (whether directly or indirectly) of (i) either a civil penalty assessed pursuant to subsections (c), (i) or (l) of Section 502 of ERISA or a tax imposed pursuant to Chapter 43 of Subtitle D of the Code or (ii) breach of fiduciary duty liability damages under Section 409 of ERISA;

(c) no liability to the PBGC (other than required premiums payments which are not past due after giving effect to any applicable grace periods) by the Issuer or any ERISA Affiliate has been or is expected by any Group Member or any ERISA Affiliate to be incurred with respect to any Plan and no ERISA Event with respect to any Plan has occurred;

(d) the actuarial present value of the benefit liabilities under each Plan which is subject to Title IV of ERISA does not (determined as of the end of the most recent plan year) exceed the current value of the assets (computed on a plan termination basis in accordance with Title IV of ERISA) of such Plan allocable to such benefit liabilities. The term "actuarial present value of the benefit liabilities" shall have the meaning specified in Section 4041 of ERISA; and

(e) neither the Issuer nor any ERISA Affiliate sponsors, maintains or contributes to, or has at any time in the six-year period immediately preceding the date hereof sponsored, maintained or contributed to, or had any actual or contingent liability to any Multiemployer Plan.

4.11 Disclosure; No Material Misstatements. None of the reports, financial statements, certificates or other information furnished by or on behalf of the Group Members to the Agent or any Holder or any of their Affiliates in connection with the negotiation of this Agreement or any other Note Document or delivered hereunder or under any other Note Document (as modified or supplemented by other information so furnished) contain any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that, with respect to projected financial information, the Group Members represent only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time and it further being understood that projections concerning volumes attributable to the Oil and Gas Properties and production and cost estimates contained in each Reserve Report are necessarily based upon professional opinions, estimates and projections and the Group Members do not warrant that such opinions, estimates and projections will ultimately prove to have been accurate.

4.12 Insurance. For the benefit of each Note Parties, the Issuer has (a) all insurance policies sufficient for the compliance by the Note Parties with all material Governmental Requirements and all material agreements and (b) insurance coverage, or self-insurance, in at least such amounts and against such risk (including public liability) that are usually insured against by companies similarly situated and engaged in the same or a similar business for the assets and operations of the Note Parties. Schedule 4.12, as of the ~~**date hereof**~~**Second Amendment Effective Date**, sets forth a list of all insurance maintained by the Issuer.

4.13 Restriction on Liens. No Group Member is subject to any order, judgment, writ or decree, which either restricts or purports to restrict its ability to grant Liens to the Agent and the Holders on or in respect of their Properties to secure the Obligations and the Note Documents.

4.14 Group Members. There are no Group Members, except as set forth on Schedule 4.14 **as of the Second Amendment Effective Date** or as disclosed in writing to the Agent (which shall promptly furnish a copy to the Holders), which shall be a supplement to Schedule 4.14. Each Group Member's jurisdiction of organization, name as listed in the public records of its jurisdiction of organization, organizational identification number in its jurisdiction of organization, and the location of its principal place of business and chief executive office is stated on Schedule 4.14 **as of the Second Amendment Effective Date** (or as set forth in a notice delivered pursuant to Section 6.1(j)). No Group Member is a Foreign Group Member (other than any Foreign Group Member as of the Closing Date).

4.15 Location of Business and Offices. The Issuer's jurisdiction of organization is Delaware; the name of the Issuer as listed in the public records of its jurisdiction of organization is SilverBow Resources, Inc.; and the organizational identification number of the Issuer in its jurisdiction of organization is set forth on Schedule 4.14 **as of the Second Amendment Effective Date** (or, in each case, as set forth in a notice delivered to the Agent pursuant to Section 6.1(j) in accordance with Section 10.1. The Issuer's principal place of business and chief executive offices are located at the address specified in Section 10.1 (or as set forth in a notice delivered pursuant to Section 6.1(j)) and Section 10.1).

4.16 Properties; Titles, Etc.

(a) Each Group Member has good and defensible title to the Oil and Gas Properties evaluated in the most recently delivered Reserve Report and good title to all its material personal Properties other than Properties sold, transferred or otherwise disposed of (i) on or prior to the Closing Date or (ii) after the Closing Date, in compliance with Section 7.11 from time to time, in each case, free and clear of all Liens except Liens permitted by Section 7.3. After giving full effect to the Excepted Liens and the dispositions referenced in the prior sentence, the Group Member specified as the owner owns the net interests in production attributable to the Hydrocarbon Interests as reflected in the most recently delivered Reserve Report, and except as otherwise provided by statute, regulation or the standard and customary provisions of any applicable joint operating agreement, the ownership of such Properties shall not in any material respect obligate the Group Member to bear the costs and expenses relating to the maintenance, development and operations of each such Property in an amount in excess of the working interest of each Property set forth in the most recently delivered Reserve Report that is not offset by a corresponding proportionate increase in the Group Member's net revenue interest in such Property.

(b) (i)All leases and agreements necessary for the conduct of the business of the Group Members are valid and subsisting, in full force and effect, and (ii) there exists no default or event or circumstance which with the giving of notice or the passage of time or both would give rise to a default under any such lease or leases, which, in the case of either (i) or (ii), could reasonably be expected to have a Material Adverse Effect.

(c) The rights and Properties presently owned, leased or licensed by the Group Members including all easements and rights of way, include all rights and Properties necessary to permit the Group Members to conduct their business in the same manner as its business is conducted on the date hereof except where the failure of the foregoing could not reasonably be expected to result in a Material Adverse Effect.

(d) Except for Properties being repaired, all of the Properties of the Group Members which are reasonably necessary for the operation of their businesses are in good working condition and are maintained in accordance with prudent business standards, except where the failure of the foregoing could not reasonably be expected to result in a Material Adverse Effect.

(e) Each Group Member owns, or is licensed to use, all trademarks, tradenames, copyrights, patents and other intellectual Property necessary to operate its business, and the use thereof by the Group Member does not infringe upon the rights of any other Person, except for any such infringements that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. The Group Members either own or have valid licenses or other rights to use all databases, geological data, geophysical data, engineering data, seismic data, maps, interpretations and other technical information used in their businesses as presently conducted, subject to the limitations contained in the agreements governing the use of the same, which limitations are customary for companies engaged in the business of the exploration and production of Hydrocarbons, with such exceptions as could not reasonably be expected to have a Material Adverse Effect.

4.17 Maintenance of Properties. The Oil and Gas Properties (and Properties unitized therewith) of the Group Members have been maintained, operated and developed in a good and workmanlike manner and in conformity with all Governmental Requirements in all material respects and in conformity with the provisions of all leases, subleases or other contracts comprising a part of the Hydrocarbon Interests and other contracts and agreements forming a part of the Oil and Gas Properties of the Group Members in all material respects. All pipelines, wells, gas processing plants, platforms and other material improvements, fixtures and equipment owned in whole or in part by the Group Members that are necessary to conduct normal operations are being maintained in a state adequate to conduct normal operations, and with respect to such of the foregoing which are operated by the Group Members, in a manner consistent with the Group Members' past practices (other than those the failure of which to maintain in accordance with this Section 4.17 could not reasonably be expected to have a Material Adverse Effect).

4.18 Gas Imbalances; Prepayments. Except as set forth on Schedule 4.18 **on the Second Amendment Effective Date** or on the most recent certificate delivered pursuant to Section 6.11(b), on a net basis there are no gas imbalances, take or pay or other prepayments which would require any Group Member to deliver Hydrocarbons produced from their Oil and Gas Properties at some future time without then or thereafter receiving full payment therefor exceeding one percent (1.0%) of the aggregate volumes of Hydrocarbons (on an Mcf equivalent basis) listed in the most recent Reserve Report.

4.19 Marketing of Production. Except for contracts listed and in effect on the ~~date hereof~~**Second Amendment Effective Date**on Schedule 4.19, and thereafter either disclosed in writing to the Agent or included in the most recently delivered Reserve Report, (a) the Group Members are receiving a price for all production sold thereunder which is computed substantially in accordance with the terms of the relevant contract and are not having deliveries curtailed substantially below the subject Property's delivery capacity and (b) no material agreements exist which are not cancelable on 60 days' notice or less without penalty or detriment for the sale of production from the Group Members' Hydrocarbons (including calls on or other rights to purchase, production, whether or not the same are currently being exercised) that (i) pertain to the sale of production at a fixed price and (ii) have a maturity or expiry date of longer than six (6) months from the date of such agreement.

4.20 Security Documents. The Security Instruments are effective to create in favor of the Agent, for the benefit of the Holders, a legal, valid and enforceable security interest in the Mortgaged Property and Collateral and proceeds thereof. The Obligations are and have been at all times secured by a legal, valid and enforceability second priority perfected Liens (subject only to Permitted Prior Liens) in favor of the Agent, covering and encumbering (a) from and after the Mortgage Deadline at least 85% **or, on and after the Second Amendment Effective Date, 90%**of (i) the PV-9 of the Oil and Gas Properties of the Note Parties constituting Proved Reserves as set forth in the most recent Reserve Report delivered to the Agent and the Holders pursuant to Section 6.11 and (ii) the book value of Oil and Gas Properties of the Note Parties other than Proved Reserves as of the Issuer's most recently ended fiscal quarter (including the fiscal year end) for which its financial statements are available and (b) the Collateral granted pursuant to the Guarantee and Collateral Agreement, including the pledged Equity Interests and the Deposit Accounts and Securities Accounts, in each case to the extent perfection has occurred, as the case may be, by the recording of a mortgage, the filing of a UCC financing statement, or, in the case of Deposit Accounts and Securities Accounts, by obtaining of "control" or, with respect to Equity Interests represented by certificates, by possession (in each case, to the extent available in the applicable jurisdiction); provided that, except in the case of pledged Equity Interests, Liens permitted by Section 7.3 may exist.

4.21 Swap Agreements. Schedule 4.21, as of the ~~Closing~~**Second Amendment Effective** Date, and after the ~~date hereof~~**Second Amendment Effective Date**, each report required to be delivered by the Issuer pursuant to Section 6.1(d), as of the last Business Day of the period covered by such report, sets forth, a true and complete list of all Swap Agreements of the Group Members, the material terms thereof (including the type, term, effective date, termination date and notional amounts or volumes), the net mark to market value thereof, all credit support agreements relating thereto (including any margin required or supplied, but excluding the Security Instruments) and the counterparty to each such agreement.

4.22 Use of Proceeds. The proceeds of the Notes shall be used (a) to repay certain outstanding First Lien Secured Obligations and (b) to fund capital expenditures, pay fees and expenses incurred in connection with the Transactions and provide for other general corporate purposes of the Issuer and its Subsidiaries. No Group Member is engaged principally, or as one of its or their important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate, of buying or carrying margin stock (within the meaning of Regulation T, U or X of the Board). No part of the proceeds of any Note will be used for any purpose which violates the provisions of Regulations T, U or X of the Board.

4.23 Solvency. After giving effect to the Transactions **and the other transactions contemplated by the Note Documents** (a) the sum of the debt and liabilities (including subordinated and contingent liabilities) of the Issuer and its Subsidiaries, taken as a whole, does not exceed the fair value of the present assets of the Issuer and its Subsidiaries, taken as a whole, (b) the present fair saleable value of the assets of the Issuer and its Subsidiaries, taken as a whole, is greater than the total amount that will be required to pay the probable debt and liabilities (including subordinated and contingent liabilities) of the Issuer and its Subsidiaries as they become absolute and matured, (c) the Issuer and its Subsidiaries, taken as a whole, have not incurred, or believe that they will incur, debts or other liabilities including current obligations beyond their ability to pay such debt as they mature in the ordinary course of business and (d) the capital of the Issuer and its Subsidiaries, taken as a whole, is not unreasonably small to engage in the business of the Issuer and its Subsidiaries, taken as a whole. For the purpose of this Section 4.23, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

4.24 Foreign Corrupt Practices. Neither the Issuer nor any of its Subsidiaries, nor any director, officer, employee or Affiliate of the Issuer or any of its Subsidiaries, nor to the knowledge of the Issuer, any agent of the Issuer or any of its Subsidiaries that will act in any capacity in connection with or benefit from the credit facility established hereby, is aware of or has taken any action, directly or indirectly, that would result in a material violation by such Persons of the FCPA, including without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA; and, the Issuer, its Subsidiaries and its and their Affiliates have conducted their business in material compliance with the FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

4.25 Anti-Corruption Laws; Sanctions; OFAC.

(a) The Issuer has implemented and maintains in effect policies and procedures designed to ensure compliance by the Issuer, its Subsidiaries and their respective directors, officers, employees and agents with applicable Anti-Corruption Laws and applicable Sanctions.

(b) The Issuer, its Subsidiaries, their respective officers and employees and, to the knowledge of the Issuer, its directors and agents are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects and are not knowingly engaged in any activity that would reasonably be expected to result in any Group Member being designated as a Sanctioned Person.

(c) None of (i) the Issuer, any Subsidiary or any of their respective directors, officers or employees, or (ii) to the knowledge of the Issuer, any agent of the Issuer that will act in any capacity in connection with or benefit from the Notes issued hereby, is a Sanctioned Person. The Issuer will not directly or, to its knowledge, indirectly use the proceeds from the Notes or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person, for the purpose of financing the activities of any Person currently subject to any applicable Sanctions.

4.26 EEA Financial Institution. No Note Party is an EEA Financial Institution.

4.27 Private Offering. Neither the Issuer nor anyone acting on its behalf has offered the Notes or any similar securities for sale to, or solicited any offer to buy any of the same from, or otherwise approached or negotiated in respect thereof with, any Person other than the Holders and not more than ten (10) other Institutional Investors, each of which has been offered the Notes at a private sale for investment. Neither the Issuer nor anyone acting on its behalf has taken, or will take, any action that would subject the issuance or sale of the Notes to the registration requirements of Section 5 of the Securities Act or to the registration requirements of any securities or blue sky laws of any applicable jurisdiction.

4.28 Beneficial Ownership. As of the Second Amendment Effective Date, to the best knowledge of the Issuer, the information included in the Beneficial Ownership Certification provided on or prior to the Second Amendment Effective Date to any Holder in connection with this Agreement is true and correct in all material respects.

ARTICLE V.
REPRESENTATIONS OF HOLDERS.

In order to induce Issuer to issue and sell the Notes to the Holders, ~~(including the issuance of any Incremental Notes to the Holders and, for purposes of this Article V, each Holder acquiring an Incremental Note shall be considered a Holder),~~ each Holder hereby represents and warrants to Issuer, on the Closing Date ~~and each date of purchase of Incremental Notes~~, and acknowledges as follows:

5.1 Organization and Standing. Such Holder is a corporation or other entity duly incorporated or formed and validly existing under the laws of the jurisdiction of its incorporation or formation.

5.2 Authorization; Enforceability. Such Holder has the full power and authority to enter into this Agreement, and (assuming due execution by the other parties hereto) this Agreement constitutes its valid and legally binding obligation, enforceable against it in accordance with its terms, except to the extent the enforceability thereof may be limited by (a) the effects of bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other similar laws affecting creditors' rights generally, (b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) and (c) implied covenants of good faith and fair dealing.

5.3 Investment. Such Holder acquired each such Note solely for its own account, for investment purposes, with no intention of distributing or reselling such Note in any public offering or in any transaction that would be in violation of applicable securities laws of the United States or any other applicable jurisdiction or any state or province thereof, without prejudice, however, to such Holder's right at all times to sell or otherwise dispose of all or any part of the Note under an effective registration statement under the Securities Act and applicable state securities or "blue sky" laws (it being understood that Issuer has no obligation or intention to undertake any such registration), or an exemption from such registration requirements and in compliance with applicable securities laws. Such Holder has not solicited offers for, or offered or sold, and will not solicit offers for, or offer or sell, the Note by means of any form of general solicitation or general advertising within the meaning of Rule 502(c) of Regulation D of the Securities Act, or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act.

5.4 Accredited Investor. Such Holder, at the time that it committed to enter into this Agreement was, and now is, an "accredited investor" as that term is defined in Rule 501 of Regulation D under the Securities Act.

5.5 No Resale or Repurchase. No person has made to such Holder any written or oral representations (a) that any person will resell or repurchase the Notes (except in accordance with the Organizational Documents of Issuer), (b) that any person will refund the purchase price of the Notes, or (c) as to the future price or value of the Notes.

5.6 Private Placement. Such Holder understands that the Notes are being offered for sale only on a "private placement" basis and that the sale and delivery of the Notes is conditional upon such sale being exempt from the requirements as to the filing of a prospectus or registration statement or delivery of an offering memorandum or upon the issuance of such orders, consents or approvals as may be required to permit such sale without the requirement of filing a prospectus or delivering an offering memorandum and, as a consequence, (a) such Holder is restricted from using most of the civil remedies available under applicable securities legislation, (b) such Holder may not receive information that would otherwise be required to be provided to it under applicable securities legislation, and (c) Issuer is relieved from certain obligations that would otherwise apply under applicable securities legislation.

5.7 Knowledge and Experience. Without limiting the force and effect of the representations and warranties of any party to a Note Document, such Holder (a) has such knowledge and experience in financial and business matters, as to enable it to evaluate the merits and risks of entering into this Agreement and receiving the Notes, (b) is able to bear the economic risk of the transaction, (c) is able to hold its interest indefinitely unless a subsequent disposition thereof is registered under the Securities Act or is exempt from registration and is completed in compliance with applicable securities laws, (d) has been independently advised as to restrictions with respect to trading in the Notes imposed by applicable securities laws, (e) confirms that no representation (written or oral) has been made to it (with respect to trading restrictions imposed by applicable securities laws) by or on behalf of Issuer or Agent with respect thereto, (f) has conducted its own investigation of the Issuer and the terms of the Note, (g) (i) confirms it has had access to information as it deemed necessary to make its decision to purchase the Notes, and (ii) has been offered the opportunity to ask questions of the Issuer and receive answers thereto, as it deemed necessary in connection with the decision to purchase the Notes, (h) acknowledges that it is aware of the characteristics of the Notes, and the risks relating to an investment therein and (i) acknowledges and agrees that neither J.P. Morgan Securities LLC, as placement agent, or any other financial institution acting in a similar capacity (collectively, the "**Placement Agents**") nor any of their respective Affiliates or representatives has any has any responsibility with respect to the completeness or accuracy of any information or materials furnished to such Holder in connection with the transactions contemplated hereby.

5.8 No Materials. Without limiting the representations and warranties set forth in the Note Documents, such Holder has not received or been provided with, nor has it requested, nor does it have any need to receive, any offering memorandum, any prospectus, sales or advertising literature describing or purporting to describe the business and affairs of Issuer which has been prepared for delivery to, and review by, prospective purchasers in order to assist them in making an investment decision in respect of the Notes.

5.9 Transfer Restrictions. Such Holder acknowledges and agrees that none of the Notes has been registered under the Securities Act or the securities laws of any country or state, and none of them may be sold or otherwise transferred in the absence of an effective registration thereunder unless an exemption from registration is available. Such Holder also acknowledges and agrees that the Notes are subject to resale restrictions in the United States, may be subject to resale restrictions in jurisdictions other than the United States under applicable securities laws, and that any sale or transfer will be completed in compliance with applicable securities laws.

5.10 Offers and Sales Only in Certain Circumstances. If such Holder decides to offer, sell, pledge or otherwise transfer any of the Notes, it will not offer, sell, pledge or otherwise transfer any of such Notes, directly or indirectly, unless: (a) the sale is made pursuant to registration of the Notes under the Securities Act; (b) the sale is made outside the United States in a transaction meeting the requirements of Rule 904 of Regulation S under the Securities Act and in compliance with applicable local securities laws and regulations; (c) the sale is made pursuant to the exemption from the registration requirements of the Securities Act provided by Rule 144 or Rule 144A thereunder, if available, and, in either case, in accordance with any applicable state securities or "blue sky" laws; or (d) the Notes are sold in any other transaction that does not require registration under the Securities Act or any applicable state securities or "blue sky" laws.

5.11 Subsequent Purchaser Notification. Such Holder will take reasonable steps to inform, and cause each of its Affiliates and Related Funds that is a U.S. person (as defined in Section 902 of Regulation S under the Securities Act) to take reasonable steps to inform, any person acquiring Notes from such Holder, Affiliate or Related Fund, as the case may be, in the United States that the Notes (a) have not been and will not be registered under the Securities Act, (b) are being sold to them without registration under the Securities Act in reliance on Rule 144A or in accordance with another exemption from registration under the Securities Act and (c) may not be offered, sold or otherwise transferred except (i) outside the United States in accordance with Regulation S and in compliance with applicable local securities laws and regulations, (ii) inside the United States in accordance with Rule 144A to a person whom the seller reasonably believes is a qualified institutional buyer, as defined in Rule 144A ("**Qualified Institutional Buyer**") that is purchasing such Notes for its own account or for the account of a Qualified Institutional Buyer to whom notice is given that the offer, sale or transfer is being made in reliance on Rule 144A or (iii) pursuant to another available exemption from registration under the Securities Act.

ARTICLE VI.
AFFIRMATIVE COVENANTS

Until Payment in Full, the Issuer covenants and agrees with the Holders that:

6.1 Financial Statements; Other Information. The Issuer will furnish to Agent (for delivery to the Holders):

(a) Annual Financial Statements. As soon as available, but in any event in accordance with then applicable law and not later than 90 days after the end of each Fiscal Year of the Issuer, its (i) audited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such year, setting forth in each case in comparative form the figures for the previous Fiscal Year of the Issuer, all reported on by an independent public accountant reasonably acceptable to the Requisite Holders (without a "going concern" or like qualification or exception and without any qualification or exception as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of the Issuer and its Consolidated Subsidiaries on a consolidated basis and the other Group Members (as applicable), on a consolidated basis, in each case, in accordance with GAAP consistently applied and (ii) its unaudited balance sheet, income statement and related statement of cash flows as of the end of and for the Fiscal Year most recently ended which provides consolidating statements, including statements demonstrating eliminating entries, if any, with respect to any Unrestricted Subsidiaries, in such form as would be presentable to the auditors of the Issuer.

(b) Quarterly Financial Statements. As soon as available, but in any event in accordance with then applicable law and not later than 45 days after the end of each of the first three Fiscal Quarters of each Fiscal Year of the Issuer, its (i) consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such Fiscal Quarter and the then elapsed portion of such Fiscal Year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous Fiscal Year, all certified by one of its Financial Officers as presenting fairly in all material respects the financial condition and results of operations of the Issuer and its Consolidated Restricted Subsidiaries on a consolidated basis and the other Group Members (as applicable), on a consolidated basis, in each case, in accordance with GAAP consistently applied, subject to normal year-end audit adjustments and the absence of footnotes and (ii) its unaudited balance sheet, income statement and related statement of cash flows as of the end of and for the Fiscal Quarter most recently ended which provides consolidating statements, including statements demonstrating eliminating entries, if any, with respect to any Unrestricted Subsidiaries, in such form as would be presentable to the auditors of the Issuer.

(c) Certificate of Financial Officer - Compliance. Concurrently with any delivery of financial statements under Section 6.1(a) and Section 6.1(b), a Compliance Certificate executed by a Financial Officer (i) certifying as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (ii) certifying that (A) the Issuer has been in compliance with Section 7.1 at such times as required therein and (B) in connection therewith, setting forth reasonably detailed calculations demonstrating such compliance, (iii) stating whether any change in GAAP or in the application thereof has occurred since the date of the most recently delivered financial statements referred to in Section 6.1(a) and Section 6.1(b) and, if any such change has occurred, specifying the effect of such change on the financial statements accompanying such certificate and (iv) stating whether there are any Subsidiaries which are to become Note Parties in order to comply with Section 6.13 and, if any such Subsidiaries exist, specifying the actions proposed to be taken in connection therewith.

(d) Certificate of Financial Officer - Swap Agreements. Concurrently with any delivery of financial statements pursuant to Section 6.1(a) and Section 6.1(b), a certificate of a Financial Officer, in form and substance reasonably satisfactory to the Requisite Holders, setting forth as of the last Business Day of such Fiscal Quarter or Fiscal Year, a true and complete list of all Swap Agreements of the Issuer and each Group Member, the material terms thereof (including the type, term, effective date, termination date and notional amounts or volumes), the net mark-to-market value therefor (as of the last Business Day of such Fiscal Quarter or Fiscal Year), any new credit support agreements relating thereto not listed on Schedule 4.21 **(as of the Second Amendment Effective Date)**, any margin required or supplied under any credit support document, and the counterparty to each such agreement.

(e) Production Report and Lease Operating Statements. Within 60 days after the end of each Fiscal Quarter, a report setting forth, for each calendar month during the then current Fiscal Year to date, the volume of total production and sales attributable to production (and the prices at which such sales were made and the revenues derived from such sales) for each such calendar month from the Oil and Gas Properties of the Group Members, and setting forth the related ad valorem, severance and production taxes and lease operating expenses attributable thereto and incurred for each such calendar month.

(f) Certificate of Insurer - Insurance Coverage. Within five (5) Business Days following each material change in the insurance maintained in accordance with Section 6.6, certificates of insurance coverage with respect to the insurance required by Section 6.6, in form and substance satisfactory to the Requisite Holders, and, if reasonably requested by the Agent or any Holder, all copies of the applicable policies.

(g) SEC and Other Filings; Reports to Shareholders. Promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by any Group Member with the SEC or with any national securities exchange.

(h) Notices Under Material Instruments. Concurrently with the furnishing thereof, copies of any financial statement, report or notice (including any notice of default) furnished to or by any Person pursuant to the terms of any preferred stock designation, indenture, loan or credit or other similar agreement evidencing Material Indebtedness (excluding this Agreement but including, without limitation, any First Lien Loan Document) that has not been previously furnished to the Holders pursuant to any other provision of this Section 6.1.

(i) Issuances and Incurrences of Debt. Two (2) Business Days prior written notice of the incurrence by any Group Member of any Permitted Refinancing Indebtedness or, if in excess of $10,000,000, any other Indebtedness as well as the amount thereof, the anticipated closing date and definitive documentation for the foregoing and any other related information reasonably requested.

(j) Information Regarding Issuer and Guarantors. Prompt written notice of (and in any event within five (5) Business Days prior thereto or such other time as the Agent may agree in its sole discretion) any change (i) in a Note Party's corporate name or in any trade name used to identify such Person in the conduct of its business or in the ownership of its Properties, (ii) in the location of the Note Party's chief executive office or principal place of business, (iii) in the Note Party's identity or corporate structure or in the jurisdiction in which such Person is incorporated or formed, (iv) in the Note Party's jurisdiction of organization, and (v) in the Note Party's federal taxpayer identification number.

(k) USA Patriot Act**, etc.**. Promptly upon request, all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the USA Patriot Act**,and the Beneficial Ownership Regulation**.

(l) Notices Related to Oil and Gas Properties and Swap Agreements.

(i) Notice of Sales of Oil and Gas Properties and Unwinds of Swap Agreements. In the event the Issuer or any other Group Member intends to (A) sell, transfer, assign or otherwise dispose of any Oil and Gas Properties constituting Proved Reserves (or any Equity Interests of any Group Member that owns Oil and Gas Properties constituting Proved Reserves) and/or (B) Unwind Swap Agreements, prior written notice of the foregoing (of at least five (5) Business Days or such shorter time as the Requisite Holders may agree), the price thereof, in the case of Oil and Gas Properties constituting Proved Reserves (or any Equity Interests of any Group Member that owns Oil and Gas Properties constituting Proved Reserves), and, in each case, the anticipated decline in the mark-to-market value thereof or net cash proceeds therefrom, in the case of Swap Agreements, and, in each case, the anticipated date of closing and any other details thereof reasonably requested by the Agent or any Holder (including any definitive documentation).

(ii) Notices of Acquisitions of Oil and Gas Properties. Promptly, but in any event within five (5) Business Days, written notice of any acquisition of Oil and Gas Properties by the Group Members in one or a series of related transaction having a Fair Market Value in excess of $10,000,000 or where the consideration paid exceeded $10,000,000.

(iii) Notice of Casualty Events. Promptly, but in any event within five (5) Business Days, written notice of the occurrence of any Casualty Event or the commencement of any action or proceeding that could reasonably be expected to result in a Casualty Event, in each case, of any Property of any Group Member having a Fair Market Value in excess of $2,500,000.

(m) Notices of Certain Changes. Promptly, but in any event within five (5) Business Days after the execution thereof, copies of any material amendment, modification or supplement to the certificate or articles of incorporation, by-laws, any preferred stock designation or any other Organizational Document of the Issuer or any Group Member.

(n) Take-or-Pay, Ship-or-Pay or Other Prepayments. Concurrently with the delivery of any Reserve Report to the Agent pursuant to Section 6.11 (commencing with the Reserve Report as of December 31, 2017), written notice of the occurrence of the Issuer or any other Group Member entering into a take-or-pay, ship-or-pay or other prepayments arrangement with respect to the Oil and Gas Properties of the Issuer or any other Group Member.

(o) Other Requested Information. Promptly, but in any event within five (5) Business Days following any request therefor, such other information regarding the operations, business affairs and financial condition of the Issuer or any Subsidiary (including any Plan or Multiemployer Plan to which any Group Member or any of their respective ERISA Affiliates contributes or has an obligation to contribute and any reports or other information, in either case with respect thereto, required to be filed under ERISA), or compliance with the terms of this Agreement or any other Note Document, as the Agent or the Requisite Holders may reasonably request in writing.

(p) First Lien Loan Document Information. Promptly, but in any event within five (5) Business Days after the furnishing or receipt thereof (provided that any material amendments or written modifications contemplated in clause (iii) below shall be provided one (1) Business Day before their execution), copies of (i) any notice of a redetermination or adjustment of the Borrowing Base pursuant to the First Lien Credit Facility, (ii) any notice of a Borrowing Base Deficiency, any notice of default or any notice related to the exercise of remedies, in each case pursuant to the First Lien Credit Facility and (iii) any amendment or other written modification of the First Lien Credit Facility, in each case not otherwise required to be furnished to Agent or the Holders pursuant to any other provisions of the Note Documents.

(q) Annual Budget and Projections. **(i)** Prior to or concurrently with the delivery of each December 31 Reserve Report hereunder, a certificate of a Financial Officer, in form and substance satisfactory to the Requisite Holders, setting forth ~~(i)~~ an annual business plan ~~and,~~ (ii)**prior to or concurrently with the delivery of each Reserve Report as of June 30th,**an operating budget of the Group Members for the such Fiscal Year (on a Fiscal Quarter basis)**.and (iii) prior to or concurrently with the delivery of each December 31 Reserve Report an updated operating budget of the Group Members for such Fiscal Year (on a Fiscal Quarter basis). By way of illustration, (A) prior to or concurrently with the delivery of the Reserve Report as of June 30th on or before October 1, 2022, the Issuer shall have delivered an operating budget of the Group Members for the Fiscal Year ending December 31, 2023 (on a Fiscal Quarter basis) and (B) prior to or concurrently with the delivery of the December 31 Reserve Report on or before April 1, 2023, the Issuer shall have delivered an updated operating budget of the Group Members for the Fiscal Year ending December 31, 2023 (on a Fiscal Quarter basis).**

(r) Material Environmental and Social Incident; GHG Collaboration. (A) If a Material Environmental and Social Incident occurs, (i) prompt notification, but in any event within fifteen (15) Business Days of any Responsible Officer of the Issuer becoming aware thereof, of such Material Environmental and Social Incident, (ii) concurrently deliver a brief description of the remedial plan such Note Party has undertaken or intends to undertake to address such Material Environmental and Social Incident and (iii) prompt notification of the completion of such remedial plan or the abandonment thereof, (B) within 60 days of request, no more than once in any 12-month period, the Issuer shall provide the Agent and Holders a completed environmental, social and governance survey (an "ESG Survey") prepared by the Issuer in form substantially similar to the ESG Survey dated July 7, 2021 and delivered by the Issuer to the Holders on or prior to the Second Amendment Effective Date and (C) following the occurrence of the Second Amendment Effective Date, the Issuer shall agree to collaboration and mutual feedback on green house gas emission reduction activities and opportunities, with the potential for a mutually-beneficial partnership to evaluate pilot vendors focused on identifying green house gas emission reduction opportunities and methane measurement and reduction quantification.

(s) Section 9.20 of the First Lien Credit Agreement. Anything that the Issuer is required to deliver to the First Lien Administrative Agent under Section 9.20 of the First Lien Credit Agreement, the Issuer shall substantially concurrently deliver to the Agent (for delivery to the Holders). If the Issuer is required to deliver a certificate to the First Lien Administrative Agent under Section 9.20(b)(iv) of the First Lien Credit Agreement, the Issuer shall promptly deliver to the Agent a corresponding certificate.

Documents required to be delivered pursuant to this Section 6.1 may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which a Group Member posts such documents to its publicly-accessible website or to EDGAR (or such other publicly-accessible internet database that may be established and maintained by the SEC as a substitute for or successor to EDGAR) or (ii) on which such documents are posted on the Issuer's behalf on IntraLinks/IntraAgency or another relevant website, if any, to which each Holder and the Agent have access (whether a commercial, third-party website or whether sponsored by the Agent); *provided* that the Issuer shall notify (which may be by facsimile or electronic mail) the Agent of the posting of any such documents and provide to the Agent by electronic mail electronic versions of any such documents.

6.2 Notices of Material Events. The Issuer will furnish to the Agent (for delivery to the Holders) within three (3) Business Days written notice of the following:

(a) Defaults. The occurrence of any Default or Event of Default;

(b) Governmental Matters. The filing or commencement of, or the threat in writing of, any action, suit, proceeding, investigation or arbitration by or before any arbitrator or Governmental Authority against or affecting Group Members thereof not previously disclosed in writing to the Holders or any material adverse development in any action, suit, proceeding, investigation or arbitration (whether or not previously disclosed to the Holders) that, in either case, if adversely determined, could reasonably be expected to result in a Material Adverse Effect;

(c) ERISA Events. The occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, could reasonably be expected to result in liability of the Issuer or any Group Member in an aggregate amount exceeding $2,500,000;~~ and~~

(d) Material Adverse Effect. Any other development that results in, or could reasonably be expected to result in a Material Adverse Effect.**; and**

(e) Beneficial Ownership Change. Any change in the information provided in the Beneficial Ownership Certification delivered to such Holder that would result in a change to the list of beneficial owners identified in such certification.

Each notice delivered under this Section 6.2 shall be accompanied by a statement of a Responsible Officer setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

6.3 Existence; Conduct of Business. The Issuer will, and will cause each Group Member to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and the rights, licenses, permits, privileges and franchises necessary to the conduct of its business and maintain, if necessary, its qualification to do business in each other material jurisdiction in which its Oil and Gas Properties is located or the ownership of its Properties requires such qualification, except to the extent that the failure to be so qualified could not reasonably be expected to cause a Material Adverse Effect; *provided* that the foregoing shall not prohibit any merger, consolidation, liquidation or dissolution permitted under Section 7.10.

6.4 Payment of Obligations. The Issuer will, and will cause each other Group Member to, pay its material obligations (other than Material Indebtedness), including tax liabilities of the Issuer and all of the other Group Members before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings and (b) the Issuer or such other Group Member has set aside on its books adequate reserves with respect thereto in accordance with GAAP.

6.5 Operation and Maintenance of Properties. The Issuer, at its own expense, will, and will cause each other Group Member to:

(a) operate its Oil and Gas Properties (i) in accordance with the customary practices of the industry and (ii) in compliance with all applicable contracts and agreements and in compliance with all applicable Governmental Requirements, in the case of clauses (i) and (ii) above, in all material respects, including applicable pro ration requirements and applicable Environmental Laws, and all applicable laws, rules and regulations of every other Governmental Authority from time to time constituted to regulate the development and operation of its Oil and Gas Properties and the production and sale of Hydrocarbons and other minerals therefrom in all material respects;

(b) keep and maintain all Property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, in accordance with the standard of a prudent operator;

(c) promptly pay and discharge, or make reasonable and customary efforts to cause to be paid and discharged, all material delay rentals, royalties, expenses and indebtedness accruing under the leases or other agreements affecting or pertaining to its Oil and Gas Properties and will do all other things necessary, in accordance with industry standards, to keep unimpaired their rights with respect thereto and prevent any forfeiture thereof or default thereunder, in each case, in all material respects;

(d) promptly perform or make reasonable and customary efforts to cause to be performed, in accordance with customary industry standards, the obligations required by each and all of the assignments, deeds, leases, sub-leases, contracts and agreements affecting its interests in its Oil and Gas Properties and other material Properties, in each case, in all material respects; and

(e) to the extent the Issuer is not the operator of any Property, the Issuer shall use reasonable efforts to cause the operator to comply with this Section 6.5.

6.6 Insurance. The Issuer will maintain, with financially sound and reputable insurance companies, insurance covering all Group Members, in such amounts and against such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations. The loss payable clauses or provisions in the applicable insurance policy or policies insuring the Group Members or their Property shall be endorsed in favor of and made payable to the Agent as "loss payee" or other formulation reasonably acceptable to the Requisite Holders and such liability policies shall name the Agent and the Holders as "additional insureds" and provide that the insurer will endeavor to give at least 30 days prior notice of any cancellation to the Agent.

6.7 Books and Records; Inspection Rights. The Issuer will, and will cause each Restricted Subsidiary to, keep proper books of record and account in which full, true and correct entries in conformity with GAAP, prudent accounting practice and all Governmental Requirements shall be made of all dealings and transactions in relation to its business and activities. The Issuer will, and will cause each Restricted Subsidiary to, permit any representatives designated by the Agent or the Requisite Holders, upon reasonable prior written notice, to visit and inspect its Properties, to examine and make extracts from its books and records, and to discuss its affairs, finances and condition with its officers and independent accountants, all at such reasonable times during normal business hours and as often as reasonably requested.

6.8 Compliance with Laws. The Issuer will, and will cause each Group Member to, comply with all laws, rules, regulations and orders of any Governmental Authority applicable to it or its Property in all material respects. The Issuer will maintain in effect and enforce policies and procedures designed to ensure compliance by the Group Members and their respective directors, officers, employees and agents with applicable Anti-Corruption Laws and applicable Sanctions.

6.9 Environmental Matters.

(a) The Issuer will, and will cause each Group Member to; (i) comply with all applicable Environmental Laws, and undertake reasonable efforts to ensure that all tenants and subtenants (if any), and all Persons with whom any Group Member has contracted for the exploration, development, production, operation, or other management of an oil or gas well or lease, comply with all applicable Environmental Laws; and (ii) generate, use, treat, store, release, transport, dispose of, and otherwise manage all Hazardous Materials in a manner that could not reasonably be expected to result in any liability to any Group Member or to adversely affect any real property owned, leased or operated by any of them, and take reasonable efforts to prevent any other Person from generating, using, treating, storing, releasing, transporting, disposing of, or otherwise managing Hazardous Materials in a manner that could reasonably be expected to result in a liability to any Group Member, or with respect to any Mortgaged Property, could reasonably be expected to adversely affect its fair saleable value (for the avoidance of doubt, with respect to activities on properties neighboring such real property, such reasonable efforts shall not include any obligation to monitor such activities or properties); it being understood that this clause (a) shall be deemed not breached by a noncompliance with any of the foregoing (i) or (ii) if, upon learning of such noncompliance or any condition that results from such noncompliance, any affected Group Member promptly develops and diligently implements a response to such noncompliance and any such condition that is consistent with principles of prudent environmental management and all applicable Environmental Laws, and *provided* that such response and condition, in the aggregate with any other such responses and conditions, could not reasonably be expected to have a Material Adverse Effect.

(b) The Issuer will promptly, but in no event later than five (5) days after learning of any action, investigation, demand or inquiry contemplated by this Section 6.9(b), notify the Agent and the Holders in writing of any action, investigation, demand, or inquiry by any Person threatened in writing or commenced against the Issuer or any Group Member, or any of their property or any property with respect to which a Group Member has any interest or obligation, in connection with any applicable Environmental Laws or regarding any Hazardous Materials (excluding routine testing and corrective action), unless the Issuer reasonably determines, based on the information reasonably available to it at the time, that such action, investigation, demand or inquiry is unlikely to result in costs and liabilities in excess of $2,500,000 (it being understood that the amount will be determined in the aggregate with the costs and liabilities of all related similar actions, investigations, demands or inquiries) and in any case could not reasonably be expected to have a Material Adverse Effect (it being understood that the Issuer shall be deemed to have given notice under this Section 6.9(b) regarding the matters set forth on Schedule 6.9(b) to this Agreement **as of the Second Amendment Effective Date** to the extent such matters are described thereon).

(c) If an Event of Default has occurred or is reasonably anticipated, or if any event or circumstance has occurred or is reasonably suspected that could reasonably be expected to result in a material diminution in the value of any of the Mortgaged Properties, the Agent may (but shall not be obligated to), at the expense of the Issuer (such expenses to be reasonable in light of the circumstances), conduct such investigation as it reasonably deems appropriate to determine the nature and extent of any noncompliance with applicable Environmental Laws, the nature and extent of the presence of any Hazardous Material and the nature and extent of any other environmental conditions that may exist at or affect any of the Mortgaged Properties, and the Note Parties and each relevant Group Member shall reasonably cooperate with the Agent in conducting such investigation and in implementing any response to such noncompliance, Hazardous Material or other environmental condition as the Agent reasonably deems appropriate. Such investigation and response may include, without limitation, a detailed visual inspection of the Mortgaged Properties, including all storage areas, storage tanks, drains and dry wells and other structures and locations, as well as the taking of soil samples, surface water samples, and ground water samples and such other investigations or analyses as the Agent deems appropriate, and any containment, cleanup, removal, repair, restoration, remediation or other remedial work. Upon reasonable request and notice, the Agent and its officers, employees, agents and contractors shall have and are hereby granted the right to enter upon the Mortgaged Properties for the foregoing purposes.

6.10 Further Assurances.

(a) The Issuer at its sole expense will, and will cause each other Group Member to, promptly execute and deliver to the Agent all such other documents, agreements and instruments reasonably requested by the Agent to (i) further evidence and more fully describe the collateral intended as security for the Obligations, (ii) correct any omissions in this Agreement or the Security Instruments, (iii) state more fully the obligations secured therein, (iv) perfect, protect or preserve any Liens created pursuant to this Agreement or any of the Security Instruments or the priority thereof, or (v) make any recordings, file any notices or obtain any consents, all as may be reasonably necessary or appropriate, in the reasonable discretion of the Agent to ensure that the Agent, on behalf of the Secured Parties, has a perfected security interest in all assets of the Note Parties. In addition, at the Agent's request, the Issuer, at its sole expense, shall provide any information requested to identify any Collateral, including an updated Perfection Certificate, a customary "lease to well" reconciliation schedule, list or similar item, exhibits to Mortgages in form and substance reasonably satisfactory to the Requisite Holders (which such exhibits shall be in recordable form for the applicable jurisdiction) or any other information requested in connection with the identification of any Collateral.

(b) The Issuer hereby authorizes the Agent to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Mortgaged Property without the signature of the Issuer or any other Note Party where permitted by law, which financing statements may contain a description of collateral that describes such property in any manner as the Agent may reasonably determine is necessary or advisable to ensure the perfection of the security interest in the Collateral consistent with the terms of the Note Documents, including describing such property as "all assets" or "all property" or words of similar effect. A carbon, photographic or other reproduction of the Security Instruments or any financing statement covering the Mortgaged Property or any part thereof shall be sufficient as a financing statement where permitted by law.

6.11 Reserve Reports.

(a) On or before April 1st and October 1st of each year, the Issuer shall furnish to the Agent and the Holders a Reserve Report evaluating the Oil and Gas Properties constituting Proved Reserves of the Issuer and its Subsidiaries as of the immediately preceding December 31st and June 30th, as applicable. (i) Each Reserve Report as of December 31st and delivered on or before April 1st of each year (the "**December 31 Reserve Report**"), shall be prepared by one or more Approved Petroleum Engineers, and (ii) each Reserve Report as of June 30th delivered on or before October 1st of each year shall be prepared by one or more Approved Petroleum Engineers or internally under the supervision of the chief engineer of the Issuer who shall certify such Reserve Report to be true and accurate in all material respects and to have been prepared in accordance with the procedures used in the immediately preceding December 31 Reserve Report.

(b) With the delivery of each Reserve Report, the Issuer shall provide to the Agent and the Holders a Reserve Report Certificate substantially in the form of Exhibit I from a Responsible Officer certifying that in all material respects: (i) the information contained in the Reserve Report and any other information delivered in connection therewith is true and correct, (ii) except as set forth on an exhibit to the certificate, the Issuer or the other Note Parties own good and defensible title to the Oil and Gas Properties evaluated in such Reserve Report and such Oil and Gas Properties are free of all Liens except for Liens permitted by Section 7.3, (iii) except as set forth on an exhibit to the certificate, (A) on a net basis there are no gas imbalances, take or pay or other prepayments in excess of the volume specified in Section 4.18 with respect to the Oil and Gas Properties evaluated in such Reserve Report which would require the Issuer or any other Group Member to deliver Hydrocarbons either generally or produced from such Oil and Gas Properties at some future time without then or thereafter receiving full payment therefor and (B) there are no take-or-pay or ship-or-pay contracts that have not been disclosed in a previous Reserve Report Certificate, (iv) none of their Oil and Gas Properties constituting Proved Reserves have been sold (other than Hydrocarbons sold in the ordinary course of business) since the date of the last certificate delivered pursuant to this section except as set forth on an exhibit to the certificate, which exhibit shall list all of its Oil and Gas Properties constituting Proved Reserves sold (other than Hydrocarbons sold in the ordinary course of business) and in such detail as reasonably required by the Requisite Holders, (v) attached to the certificate is a list of all marketing agreements entered into by a Group Member subsequent to the later of the date hereof or the most recently delivered Reserve Report which the Issuer could reasonably be expected to have been obligated to list on Schedule 4.19 had such agreement been in effect on the ~~date hereof~~**Second Amendment Effective Date** and (vi) attached thereto is a schedule of the Oil and Gas Properties evaluated by such Reserve Report that are Mortgaged Properties and demonstrating the percentage of the PV-10 of the Oil and Gas Properties that the value of such Mortgaged Properties represent and that such percentage is in compliance with Section 6.13(a) (the certificate described herein, the "Reserve Report Certificate"). For the avoidance of doubt, the requirement to provide a Reserve Report Certificate shall require the delivery of such Reserve Report Certificate at the time each Reserve Report is delivered.

6.12 Title Information.

(a) On or before the delivery to the Agent and the Holders of each Reserve Report required by Section 6.11(a), the Issuer shall deliver title information in form and substance reasonably acceptable to the Requisite Holders covering enough of the Oil and Gas Properties constituting Proved Reserves evaluated by such Reserve Report that were not included in the immediately preceding Reserve Report, so that the Requisite Holders shall have received reasonably satisfactory title information on Hydrocarbon Interests constituting at least 85% **or, on and after the Second Amendment Effective Date, 90%**of the PV-9 of the Oil and Gas Properties constituting Proved Reserves evaluated by such Reserve Report.

(b) If the Issuer has provided title information for additional Properties under Section 6.12(a), the Issuer shall, within 60 days of notice from the Agent or the Requisite Holders that title defects or exceptions exist with respect to such additional Properties (or such longer period as the Requisite Holders may approve in their discretion), either (i) cure any such title defects or exceptions (including defects or exceptions as to priority) which are not permitted by Section 7.3 raised by such information, (ii) substitute acceptable Mortgaged Properties with no title defects or exceptions except for Liens permitted by Section 7.3 having an equivalent or greater value or (iii) deliver title information in form and substance acceptable to the Requisite Holders so that the Agent and the Holders shall have received, together with title information previously delivered to the Agent and the Holders, satisfactory title information on Hydrocarbon Interests constituting at least 85% **or, on and after the Second Amendment Effective Date, 90%** of the PV-9 of the Oil and Gas Properties evaluated by such Reserve Report.

6.13 Additional Collateral; Additional Guarantors; Flood Insurance.

(a) At all times from and after the thirtieth (30th) day following the Closing Date (or such later date as the Requisite Holders may agree in their sole discretion) (such date, the "**Mortgage Deadline**"), the Issuer shall, and shall cause each other Note Party, at all times from and after the Mortgage Deadline to maintain a perfected Lien, superior in prior to all Liens other than Permitted Prior Liens, in favor of Agent for the benefit of the Secured Parties on Oil and Gas Properties constituting at least (i) 85% **or, on and after the Second Amendment Effective Date, 90%** of the PV-9 of the Note Parties' Proved Reserves as set forth in the most recent Reserve Report delivered to the Issuer pursuant to Section 6.11 (after giving effect to all to extensions, discoveries and other additions and upward (and downward) revisions of estimates of Proved Reserves due to exploration, development or exploitation, production or other activities, acquisitions, Dispositions and production, in each case, since the date of such Reserve Report) and (ii) 85% **or, on and after the Second Amendment Effective Date, 90%** of the book value of the Note Parties' Oil and Gas Properties other than Proved Reserves as of Issuer's most recently ended fiscal quarter (including the fiscal year end) for which its financial statements are available (the "**Minimum Mortgage Requirement**"). In connection with the delivery of each Reserve Report, the Issuer shall review the Reserve Report and the list of current Mortgaged Properties (as described in Section 6.11(b)(vi)) to ascertain whether the Mortgaged Properties satisfy the Minimum Mortgage Requirement. In the event that the Mortgaged Properties do not at any time satisfy the Minimum Mortgage Requirement, then the Issuer shall, and shall cause the other Note Parties to, grant, within thirty (30) days of delivery of the Reserve Report Certificate required under Section 6.11(b), to the Agent as security for the Obligations a second priority Lien interest (*provided* that Excepted Liens of the type described in clauses (a) to (d) and (f) of the definition thereof may exist, but subject to the provisos at the end of such definition) on additional Oil and Gas Properties not already subject to a Lien of the Security Instruments such that after giving effect thereto, the Mortgaged Properties will satisfy the Minimum Mortgage Requirement. All such Liens will be created and perfected by and in accordance with the provisions of deeds of trust, security agreements and financing statements or other Security Instruments, all in form and substance reasonably satisfactory to the Requisite Holders and with sufficient executed (and acknowledged where necessary or appropriate) counterparts for recording purposes. In order to comply with the foregoing, if any Subsidiary grants a Lien on its Oil and Gas Properties pursuant to this Section 6.13(a) and such Subsidiary is not a Guarantor, then it shall become a Guarantor and comply with Section 6.13(b). In the event that the Issuer or any other Note Party grants a Lien on any Property to secure any First Lien Secured Obligations, the Issuer will, and will cause such Subsidiary to, contemporaneously grant to the Agent, to secure the Obligations, a Lien on the same property pursuant to Security Instruments in form and substance satisfactory to the Agent.

(b) The Issuer shall promptly cause each Domestic Subsidiary Group Member that is a Wholly-Owned Material Subsidiary and each Restricted Subsidiary that guarantees or otherwise become obligated with respect to Indebtedness incurred in reliance on Sections 7.2(k) or 7.2(l) to guarantee and secure the Obligations pursuant to the Guarantee and Collateral Agreement, including pursuant to a supplement or joinder thereto. In connection with any such guaranty and security interest grant, the Issuer shall, or shall cause (i) such Material Subsidiary to promptly execute and deliver such Guarantee and Collateral Agreement (or a supplement thereto, as applicable), (ii) the owners of the Equity Interests of such Material Subsidiary who are Group Members to pledge all of the Equity Interests of such Material Subsidiary (including delivery of original stock certificates evidencing the Equity Interests of such Subsidiary pursuant to the Intercreditor Agreement, together with an appropriate undated stock powers for each certificate duly executed in blank by the registered owner thereof) and (iii) such Material Subsidiary or other Person, as applicable, to promptly execute and deliver such other additional closing documents, legal opinions and certificates as shall reasonably be requested by the Requisite Holders.

(c) In the event that any Note Party becomes the owner of (i) a first tier Foreign Group Member or (ii) a Domestic Subsidiary Group Member, then the parent Note Party shall ~~(A)~~ pledge (x) 65% of all Equity Interests of such Foreign Group Member or (y) 100% of all the Equity Interests of such Domestic Subsidiary Group Member, in each case, that are owned by such Note Party (including, in each case, delivery of original stock certificates, if any, evidencing such Equity Interests pursuant to the Intercreditor Agreement, together with appropriate stock powers for each certificate duly executed in blank by the registered owner thereof) and (along with such Foreign Group Member or Subsidiary Group Member, as applicable) execute and deliver such other additional closing documents, legal opinions and certificates as shall reasonably be requested by the Requisite Holders.

(d) The Issuer will at all times cause the other material tangible and intangible assets of the Issuer and each other Note Party to be subject to a Lien of the Security Instruments.

(e) Notwithstanding any provision in this Agreement or any other Note Document to the contrary, in no event is any Building (as defined in the applicable Flood Insurance Regulation) or Manufactured (Mobile) Home (as defined in the applicable Flood Insurance Regulation) included in the definition of "Mortgaged Property" and no Building or Manufactured (Mobile) Home is hereby encumbered by this Agreement or any other Note Document.

6.14 ERISA Compliance. The Issuer will promptly furnish and will cause each Subsidiary of the Issuer and any ERISA Affiliate to promptly furnish to the Agent (a) immediately upon becoming aware of the occurrence of any ERISA Event or of any Prohibited Transaction, which could reasonably be expected to result in liability of the Issuer or Group Member in an aggregate amount exceeding $25,000,000, in connection with any Plan or any trust created thereunder, a written notice of the Issuer or such other Group Member or ERISA Affiliate, as the case may be, specifying the nature thereof, what action such Person is taking or proposes to take with respect thereto, and, when known, any action taken or proposed by the Internal Revenue Service, the Department of Labor or the PBGC with respect thereto, and (b) immediately upon receipt thereof, copies of any notice of the PBGC's intention to terminate or to have a trustee appointed to administer any Plan. With respect to each Plan, the Issuer will, and will cause each Subsidiary and ERISA Affiliate to, (A) satisfy in full and in a timely manner, without incurring any late payment or underpayment charge or penalty and without giving rise to any lien, all of the contribution and funding requirements of Section 412 of the Code and of Section 302 of ERISA, and (B) pay, or cause to be paid, to the PBGC and in a timely manner, without incurring any late payment or underpayment charge or penalty and without giving rise to any lien, after giving effect to any applicable grace period, all premiums required pursuant to Sections 4006 and 4007 of ERISA. Promptly following receipt thereof from the administrator or plan sponsor, but in any event within five (5) Business Days following any request therefor, the Issuer will furnish or will cause any applicable Subsidiary and any applicable ERISA Affiliate to furnish to the Agent copies of any documents described in Sections 101(k) or 101(l) of ERISA that any Note Party or any ERISA Affiliate may request with respect to any Multiemployer Plan to which any Note Party or any ERISA Affiliate contributes or has an obligation to contribute; *provided*, *that* if the Group Members or any of their ERISA Affiliates have not requested such documents or notices from the administrator or sponsor of the applicable Multiemployer Plan, then, upon reasonable request of the Agent, the Group Members and/or their ERISA Affiliates shall promptly, but in any event within five (5) Business Days following such request, make a request for such documents or notices from such administrator or sponsor and the Issuer shall provide copies of such documents and notices to the Agent promptly, but in any event within five (5) Business Days following receipt thereof.

6.15 Marketing Activities. The Issuer will not, and will not permit any of the other Group Members to, engage in marketing activities for any Hydrocarbons or enter into any contracts related thereto other than (i) contracts for the sale of Hydrocarbons scheduled or reasonably estimated to be produced from their proved Oil and Gas Properties during the period of such contract, (ii) contracts for the sale of Hydrocarbons scheduled or reasonably estimated to be produced from proved Oil and Gas Properties of third parties during the period of such contract associated with the Oil and Gas Properties of the Issuer and the other Group Members that the Issuer or one of the other Group Members has the right to market pursuant to joint operating agreements, unitization agreements or other similar contracts that are usual and customary in the oil and gas business and (iii) other contracts for the purchase and/or sale of Hydrocarbons of third parties (A) which have generally offsetting provisions (i.e. corresponding pricing mechanics, delivery dates and points and volumes) such that no "position" is taken and (B) for which appropriate credit support has been taken to alleviate the material credit risks of the counterparty thereto.

6.16 Account Control Agreements. Within forty five (45) days after the Closing Date or such longer period as agreed to by the Requisite Holders, the Issuer will, and will cause each other Note Party to, cause all of their respective Deposit Accounts and/or any Securities Accounts (other than an Excluded Account for so long as it is an Excluded Account) at all times to be a Controlled Account and with respect to any Deposit Account and/or Security Account established, held or maintained on or after the Closing Date promptly, but in any event within five (5) Business Days of the establishment of such account, cause such Deposit Account and/or Securities Account (other than an Excluded Account for so long as it is an Excluded Account) to be a Controlled Account.

6.17 Unrestricted Subsidiaries.

(a) The Issuer may designate any Restricted Subsidiary as an Unrestricted Subsidiary and, subject to Section 6.17(c), any Unrestricted Subsidiary as a Restricted Subsidiary upon delivery to the Agent of written notice from the Issuer; *provided* that (i) such Restricted Subsidiary has, after giving effect to such designation as an Unrestricted Subsidiary and any releases or terminations executed in connection therewith, no Indebtedness other than Indebtedness that is Non-Recourse Debt, (ii) such Restricted Subsidiary is a Person which neither the Issuer nor any of its Restricted Subsidiaries has any direct or indirect obligation (A) to subscribe for additional Equity Interests or (B) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results, (iii) such Restricted Subsidiary does not guarantee or otherwise directly provides credit support for any Indebtedness of the Issuer or any of its Restricted Subsidiaries, except to the extent such guarantee or other credit support would be released or terminated upon such designation, (iv) such Restricted Subsidiary is concurrently designated as an Unrestricted Subsidiary under and in accordance with the First Lien Credit Agreement, (v) such Restricted Subsidiary has not been previously designated as an Unrestricted Subsidiary and (vi) immediately before and after such designation, (A) no Default or Event of Default shall have occurred and be continuing, (B) the Issuer shall be in pro forma compliance with Section 7.1 and (C) the representations and warranties of the Issuer and the Guarantors set forth in this Agreement and in the other Note Documents shall be true and correct in all material respects (unless already qualified by materiality in which case such applicable representation and warranty shall be true and correct) on and as of the date of such designation, except to the extent any such representations and warranties are expressly limited to an earlier date, in which case, on and as of the date of such designation, such representations and warranties shall continue to be true and correct in all material respects (unless already qualified by materiality in which case such applicable representation and warranty shall be true and correct) as of such specified earlier date. All Subsidiaries of an Unrestricted Subsidiary shall also be Unrestricted Subsidiaries.

(b) The designation of any Restricted Subsidiary as an Unrestricted Subsidiary and any Disposition of Property to an Unrestricted Subsidiary shall constitute (i) an Investment under Section 7.5 as of the date of designation or Disposition, as applicable, in an amount equal to the Fair Market Value of the Issuer's investment therein and (ii) a Disposition as of the date of designation or Disposition for purposes of any determination of EBITDA.

(c) The Issuer may designate any Unrestricted Subsidiary as a Restricted Subsidiary once upon delivery of written notice to the Agent; *provided* that such designation (i) shall constitute the incurrence at the time of designation of any Indebtedness and Liens of such Subsidiary existing at such time, (ii) shall constitute a reduction in any Investment under Section 7.5 to the extent that such Investment was attributable to such Restricted Subsidiary being an Unrestricted Subsidiary at the date of designation in an amount equal to the Fair Market Value of the Issuer's investment therein, it being understood that any incurrence of Indebtedness and Liens in connection herewith shall require compliance with Section 7.2 and Section 7.3, as applicable, and (iii) shall require the Issuer to be in compliance with Section 7.1 immediately before such designation and in pro forma compliance immediately after such designation.

Any designation of a Restricted Subsidiary of the Issuer as an Unrestricted Subsidiary, any designation of a Unrestricted Subsidiary as a Restricted Subsidiary and any Disposition to an Unrestricted Subsidiary will require the Issuer to provide the Agent a certificate signed by a Responsible Officer of the Issuer certifying that such designation complied with the preceding conditions in Section 6.17(b) or Section 6.17(c), as applicable.

6.18 Swap Agreements. The Issuer will (a) within ninety (90) days after the Closing Date (or such later date with the consent of the Requisite Holders in their sole discretion), enter into Swap Agreements reasonably satisfactory to the Requisite Holders with Approved Counterparties pursuant to which the Note Parties have hedged notional volumes not less than 75% of the reasonably anticipated projected production (based on the Initial Reserve Report) of crude oil and natural gas, calculated separately, from Proved Developed Producing Reserves of Oil and Gas Properties of the Note Parties for each month during the subsequent thirty-six (36) calendar month period immediately following the Closing Date (it being understood that the Swap Agreements to which the Note Parties are party as of the Closing Date are reasonably satisfactory to the Requisite Holders) and (b) maintain as of the end of each Fiscal Quarter Swap Agreements reasonably satisfactory to the Requisite Holders with Approved Counterparties pursuant to which the Note Parties shall hedge notional volumes not less than 50% of the reasonably anticipated projected production (based on the then most recently delivered Reserve Report hereunder) of crude oil and natural gas, calculated separately, from Proved Developed Producing Reserves of Oil and Gas Properties of the Note Parties for each month during the subsequent twenty-four (24) calendar month period immediately following any the end of such Fiscal Quarter.

ARTICLE VII.
NEGATIVE COVENANTS

Until Payment in Full, the Issuer covenants and agrees with the Holders that:

7.1 Financial Covenants.

(a) ~~7.1~~Ratio of Total Net Indebtedness to EBITDA. The Issuer will not**, (i)** as of the last day of any Fiscal Quarter**,** ~~commencing with the Fiscal Quarter ending~~**ending on or before** December 31, ~~2017~~**2021**, permit the ratio of Total Net Indebtedness as of such day to EBITDA for the Reference Period then ending, to be greater than ~~4.5 to 1.0.~~**3.50 to 1.00 and (ii) as of the last day of any Fiscal Quarter commencing with the Fiscal Quarter ending March 31, 2022, permit the ratio of Total Net Indebtedness as of such day to EBITDA for the Reference Period then ending, to be greater than 3.25 to 1.00.**

(b) Minimum Asset Coverage Ratio. The Issuer will not, as of the last day of any Fiscal Quarter, commencing with the Fiscal Quarter ending December 31, 2021, permit the Asset Coverage Ratio calculated on a pro forma basis as of such day *determined by reference to the most recently delivered Reserve Report* **(the "Minimum Asset Coverage Ratio") to be less than 1.25 to 1.00.**

7.2 Indebtedness. The Issuer will not, and will not permit any other Group Member to, incur, create, assume or suffer to exist any Indebtedness, except:

(a) the Notes or other Obligations;

(b) Indebtedness of the Group Members existing on the ~~date hereof~~**Second Amendment Effective Date** set forth on Schedule 7.2 as well as any Permitted Refinancing Indebtedness in respect thereof;

(c) accounts payable and accrued expenses or other obligations to pay the deferred purchase price of Property or services, from time to time incurred in the ordinary course of business which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP;

(d) purchase money Indebtedness or ~~Capital~~**Finance** Lease Obligations not to exceed $15,000,000 in the aggregate at any one time outstanding;

(e) unsecured Indebtedness associated with worker's compensation claims, bonds or surety obligations required by Governmental Requirements or by third parties in the ordinary course of business in connection with the operation of, or provision for the abandonment and remediation of, the Oil and Gas Properties;

(f) (i) Indebtedness among the Issuer and its Subsidiaries which are Note Parties, (ii) Indebtedness between the Subsidiaries of the Issuer which are not Note Parties and (iii) Indebtedness extended to the Issuer and its Subsidiaries which are Note Parties by any Group Members; provided that (A) such Indebtedness is not held, assigned, transferred, negotiated or pledged to any Person other than a Note Party and (B) any such Indebtedness owed by either the Issuer or a Guarantor shall be subordinated to the Obligations on terms satisfactory to the Agent;

(g) endorsements of negotiable instruments for collection in the ordinary course of business;

(h) any guarantee of any other Indebtedness permitted to be incurred hereunder;

(i) unsecured Indebtedness in respect of Swap Agreements entered into in compliance with Section 7.17;

(j) [reserved];

(k) Indebtedness in respect of the First Lien Credit Facility that is subject to the terms of the Intercreditor Agreement; provided that (i) such Indebtedness is a single conforming commercial banking revolving or term loan borrowing base facility for oil and gas secured loan transactions with no differentiation among the First Lien Lenders and all such Indebtedness is *pari passu* in right of payment, pricing, maturity, security and liquidation thereof and (ii) the Person selected to be the administrative agent thereunder is JPMorgan Chase Bank, N.A. or another administrative agent recognized as being an established administrative agent for commercial banking borrowing base lending facilities for oil and gas secured transactions; and

(l) other Indebtedness not to exceed $25,000,000 in the aggregate at any one time outstanding.

7.3 Liens. The Issuer will not, and will not permit any Group Member to, create, incur, assume or permit to exist any Lien on any of its Properties (now owned or hereafter acquired), except:

(a) Liens securing the payment of any Obligations;

(b) Liens existing on the ~~Closing~~**Second Amendment Effective** Date and disclosed on Schedule 7.3 and Excepted Liens;

(c) Liens securing purchase money Indebtedness or ~~Capital Leases~~**Finance Lease** Obligations permitted by Section 7.2(d) but only on the Property that is the subject of any such Indebtedness or lease, accessions and improvements thereto, insurance thereon, and the proceeds of the foregoing;

(d) Liens securing the First Lien Secured Obligations, including any refinancing or replacement thereof; provided that such Liens shall be subject to the Intercreditor Agreement; and

(e) Liens on Property not constituting Collateral that secure Indebtedness and that are not otherwise permitted by the foregoing clauses of this Section 7.3; provided that the aggregate or principal or face amount of all debt secured by such Liens pursuant to this Section 7.3(e), and the Fair Market Value of the Properties subject to such Liens (determined as of the date such Liens are incurred), shall not exceed $25,000,000 in the aggregate at any time outstanding.

7.4 Restricted Payments, Restrictions on Amendments of Permitted First Lien Debt.

(a) Restricted Payments. The Issuer will not, and will not permit any of the other Group Members to, declare or make, or agree to pay or make, directly or indirectly, any Restricted Payment, except (i) the Issuer may declare and pay Restricted Payments with respect to its Equity Interests payable solely in additional shares of its Equity Interests (other than Disqualified Capital Stock), (ii) Wholly-Owned Subsidiaries may make Restricted Payments ratably to the holders of their Equity Interests, (iii) the Issuer may make Restricted Payments pursuant to and in accordance with stock option plans, other equity compensation plans or other benefit plans for management, employees or other individual service providers of the Issuer and the other Group Members which plans have been approved by the Issuer's board of directors, to the extent such Restricted Payments are made in the ordinary course of business and (iv) provided that no Default, Event of Default or Borrowing Base Deficiency has occurred or is continuing, the Issuer may declare and pay Restricted Payments with respect to its Equity Interests in an aggregate amount not to exceed the sum of $25,000,000 *plus* the net cash proceeds obtained from the issuance of Equity Interests (other than Disqualified Capital Stock) of the Issuer *minus* the amount of such net cash proceeds that have been applied as Investments pursuant to Section 7.5(h).

(b) Redemptions. The Issuer will not, and will not permit any other Group Member to prior to the date that is ninety-one (91) days after the Maturity Date, call, make or offer to make any optional or voluntary Redemption of or otherwise optionally or voluntarily Redeem (whether in whole or in part), (i) [reserved], (ii) any other Indebtedness of the type set forth in clauses (a), (h) and (k) of the definition of Indebtedness (excluding (A) the Obligations, (B) the First Lien Secured Obligations and (C) in the case of such other Indebtedness of the type set forth in clause (a) of the definition of Indebtedness, Redemptions in an aggregate amount paid not to exceed $5,000,000) and (iii) any Permitted Refinancing Indebtedness in respect of the foregoing (such Indebtedness (other than the First Lien Secured Obligations), collectively, the "**Specified Indebtedness**"); provided that the Issuer may prepay such Specified Indebtedness with the proceeds of any Permitted Refinancing Indebtedness in respect thereof or with the net cash proceeds of Equity Interests (other than Disqualified Capital Stock) of the Issuer so long as no Default, Event of Default or Borrowing Base Deficiency has occurred and is continuing or would occur as a result of such Redemption.

(c) Amendments. The Issuer will not, and will not permit any other Group Member to amend, modify, waive or otherwise change, consent or agree to any amendment, modification, waiver or other change to any Specified Indebtedness if doing so would (i) increase the rate of interest thereon, (ii) require the payment of a fee (whether, without limitation, a consent fee, arrangement fee or any other fee, but excluding any customary upfront fees owed by the Note Parties in connection with a Borrowing Base redetermination under the First Lien Credit Agreement) unless any such fee paid, when combined with any other such fees and any Investment made in reliance of Section 7.5(h), does not exceed $5,000,000 or (iii) (A) [reserved] and (B) with respect to any other Specified Indebtedness, shorten the average maturity or average life of such Specified Indebtedness.

7.5 Investments, Loans and Advances. The Issuer will not, and will not permit any other Group Member to, make or permit to remain outstanding any Investments in or to any Person, except that the foregoing restriction shall not apply to:

(a) Investments which are disclosed to the Holders **on the Second Amendment Effective Date** in Schedule 7.5;

(b) accounts receivable arising in the ordinary course of business;

(c) Investments in Cash Equivalents;

(d) Investments (i) made among the Issuer and the other Subsidiaries which are Note Parties, (ii) made among the Subsidiaries of the Issuer which are not Note Parties or (iii) made by any Group Member in or to the Issuer or to its Subsidiaries which are Note Parties;

(e) loans or advances to employees, officers or directors in the ordinary course of business of the Issuer or any of the other Note Parties, in each case only as permitted by applicable law, including Section 402 of the Sarbanes-Oxley Act of 2002, but in any event not to exceed $2,000,000 in the aggregate at any time;

(f) Investments in stock, obligations or securities received in settlement of debts arising from Investments permitted under this Section 7.5 owing to the Issuer or any other Group Member as a result of a bankruptcy or other insolvency proceeding of the obligor in respect of such debts or upon the enforcement of any Lien in favor of the Issuer or any of the other Group Members; provided that the Issuer shall give the ~~Administrative~~ Agent prompt written notice in the event that the aggregate amount of all Investments held at any one time under this Section 7.5(f) exceeds $2,000,000;

(g) Investments pursuant to Swap Agreements otherwise permitted under this Agreement;

(h) other Investments, when combined with any fees paid under Section 7.4(c)(ii), not to exceed, in the aggregate, the sum of (x) $25,000,000, which amount may be in the form of cash or Property in equal Fair Market Value, *plus* (y) the net cash proceeds obtained from the issuance of Equity Interests (other than Disqualified Capital Stock) of the Issuer (it being understood that the amount of Investments permitted in reliance on this clause (h)(y) may only be effected in the form of cash) *minus* the amount of such net cash proceeds that have been applied as Restricted Payments pursuant to Section 7.4(a)(iv), in the aggregate at any time;

(i) loans, advances or extensions of credit to suppliers or contractors under applicable contracts or agreements in the ordinary course of business in connection with oil and gas development activities of such Issuer or such Subsidiary; and

(j) Investments in Unrestricted Subsidiaries, provided that the aggregate amount of all such Investments at any one time shall not exceed $15,000,000.

The amount of all Investments under Sections 7.5(h)(x) and (j) (other than cash) will be the Fair Market Value on the date of the Investment of the asset(s) or securities proposed to be transferred or issued by the Issuer or such Restricted Subsidiary, as the case may be, pursuant to the Investment. The Fair Market Value of any assets or securities that are required to be valued by this covenant will be determined, (x) in the case of amounts under $10,000,000, by a Responsible Officer of the Issuer and certified in writing to the Agent (for delivery to the Holders) and (y) in the case of amounts greater than or equal to $10,000,000 by the Board of Directors of Issuer whose resolution with respect thereto will be delivered to the Agent (for delivery to the Holders).

7.6 Nature of Business; No International Operations. The Issuer and the other Group Members, taken as a whole, will not allow any material change to be made in the character of its business as an independent oil and gas exploration and production company. The Group Members will not acquire or make any other expenditures (whether such expenditure is capital, operating or otherwise) in or related to, any Oil and Gas Properties not located within the geographical boundaries of the United States of America or in the offshore federal waters of the United States of America.

7.7 Proceeds of the Notes. The Issuer will not permit the proceeds of the Notes to be used for any purpose other than those permitted by Section 4.22. No Note Party nor any Person acting on behalf of the Issuer has taken or will take any action which may cause any of the Note Documents to violate Regulations T, U or X or any other regulation of the Board or to violate Section 7 of the Securities Exchange Act of 1934 or any rule or regulation thereunder, in each case as now in effect or as the same may hereinafter be in effect. If requested by the Agent, the Issuer will furnish to the Agent and each Holder a statement to the foregoing effect in conformity with the requirements of FR Form U-1 or such other form referred to in Regulation U, Regulation T or Regulation X of the Board, as the case may be. The Issuer will not issue any Note, and the Issuer shall not directly or, to the knowledge of the Issuer, indirectly use, and shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not directly or, to the knowledge of such Person, indirectly use, the proceeds of any Note (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (b) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country to the extent such activities, businesses or transaction would be prohibited by Sanctions if conducted by a corporation incorporated in the United States or (c) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

7.8 ERISA Compliance. Except as would not, whether individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Issuer will not, and will not permit any ERISA Affiliate to, at any time:

(a) engage in any transaction in connection with which the Issuer or any ERISA Affiliate, could be subject to either a civil penalty assessed pursuant to subsections (c), (i), (l) or (m) of Section 502 of ERISA or a tax imposed by Chapter 43 of Subtitle D of the Code;

(b) terminate, or permit any ERISA Affiliate to terminate, any Plan in a manner, or take any other action with respect to any Plan, which could result in any liability of the Issuer or any Subsidiary or any ERISA Affiliate to the PBGC;

(c) fail to make, or permit any ERISA Affiliate to fail to make, after giving effect to any applicable grace period, full payment when due of all amounts which, under the provisions of any Plan, agreement relating thereto or applicable law, the Issuer, a Subsidiary or any ERISA Affiliate is required to pay as contributions thereto;

(d) fail to satisfy, or allow any ERISA Affiliate to fail to satisfy, the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA), in any case whether or not waived, with respect to any Plan; and

(e) acquire, or permit any ERISA Affiliate to acquire, an interest in any Person that causes such Person to become an ERISA Affiliate with respect to any Subsidiary or with respect to any ERISA Affiliate if such Person sponsors, maintains or contributes to, or at any time in the six-year period immediately preceding such acquisition has sponsored, maintained, or contributed to, (1) any Multiemployer Plan, or (2) any other Plan that is subject to Title IV of ERISA under which the actuarial present value of the benefit liabilities under such Plan exceeds the current value of the assets (computed on a plan termination basis in accordance with Title IV of ERISA and determined as of the end of the most recent plan year) of such Plan allocable to such benefit liabilities.

7.9 Sale or Discount of Receivables. Except for receivables obtained by the Group Members out of the ordinary course of business or the settlement of joint interest billing accounts in the ordinary course of business or discounts granted to settle collection of accounts receivable or the sale of defaulted accounts arising in the ordinary course of business in connection with the compromise or collection thereof and not in connection with any financing transaction, the Issuer will not, and will not permit any other Group Member to, discount or sell (with or without recourse) any of its notes receivable or accounts receivable.

7.10 Mergers, Etc. The Issuer will not, and will not permit any of its Restricted Subsidiaries to, merge into or with or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or sell, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its Property to any other Person, (whether now owned or hereafter acquired) or liquidate or dissolve (any such transaction, a "**consolidation**"), except that (a) any Note Party may consolidate with or into the Issuer (*provided* the Issuer shall be the continuing or surviving entity), (b) any Restricted Subsidiary may consolidate with any Subsidiary of the Issuer which is a Note Party (*provided* such Subsidiary which is a Note Party shall be the continuing or surviving entity) and (c) any Subsidiary which is not a Note Party may consolidate with any other Subsidiary which is not a Note Party, in each case, so long as no Default or Event of Default has occurred and is continuing or would occur as a result of such consolidation and notice of such consolidation is provided to the Agent five (5) Business Days prior to such consolidation.

7.11 Sale of Properties and Termination of Hedging Transactions. The Issuer will not, and will not permit any Group Member to, sell, assign, farm-out, convey or otherwise transfer any Property except for:

(a) the sale of Hydrocarbons in the ordinary course of business;

(b) if no Default or Event of Default has occurred and is continuing, the sale or other Disposition (including any farmout or similar agreement) of Oil and Gas Properties not included in the calculation of the Borrowing Base (which, for avoidance of doubt, includes Oil and Gas Properties not constituting Proved Reserves);

(c) the sale or transfer of equipment that (i) is no longer necessary for the business of the Issuer or such other Group Member or (ii) is replaced by equipment of at least comparable value and use;

(d) subject to Section 7.10, the sale or other Disposition (including Casualty Events or in connection with any condemnation proceeding) of any Oil and Gas Property constituting Proved Reserves or any interest therein, 100% of the Equity Interests of any Subsidiary owning no other assets or interest other than Oil and Gas Properties constituting Proved Reserves or the Unwind of Swap Agreements; provided that

(i) not less than 80% of the consideration received in respect of such sale or other Disposition shall be cash (provided that Oil and Gas Properties received as consideration in connection with an asset swap may be deemed to be cash in an amount equal to the Fair Market Value of the Oil and Gas Properties received so long as the aggregate amount of such deemed cash consideration does not to exceed 10% of the Borrowing Base then in effect at the time of such sale or other Disposition),

(ii) no Default or Event of Default has occurred and is continuing nor would a Default, Event of Default or Borrowing Base Deficiency (after giving effect to any prepayment of the Notes made with the proceeds of such sale or other Disposition) result therefrom, and

(iii) (other than in respect of Casualty Events) the consideration received in respect of a sale or other Disposition of any Oil and Gas Property, Equity Interest or interest therein shall be equal to or greater than the Fair Market Value of the Oil and Gas Property, Equity Interest or interest therein subject of such sale or other Disposition (as reasonably determined by a Responsible Officer of the Issuer and if requested by the Agent, the Issuer shall deliver a certificate of a Responsible Officer of the Issuer certifying to the foregoing);

(e) sales and other Dispositions for cash of Properties having a Fair Market Value in aggregate not to exceed $10,000,000;

(f) (i) transfers of Properties between or among any Note Parties, (ii) transfers of Properties between Subsidiaries of the Issuer that are not Note Parties and (iii) transfers of property from any Group Member to any Note Party; and

(g) any transaction permitted by Section 7.5.

Notwithstanding the foregoing, the Issuer shall not, and shall not permit any Group Member to, consummate any sale, assignment, farm-out, conveyance or transfer any Property permitted by Section 7.11(b), (d) or (e) if a "Default" or "Event of Default" (each as defined in the First Lien Credit Agreement) has occurred and is continuing at the time of such transaction or would result from such transaction.

7.12 Sale and Leasebacks. The Issuer will not, and will not permit any other Group Member to enter into any arrangement with any Person providing for the leasing by any Group Member of real or personal property that has been or is to be sold or transferred by such Group Member to such Person or to any other Person to whom funds have been or are to be advanced by such Person on the security of such property or rental obligations of such Group Member.

7.13 Environmental Matters. The Issuer will not, and will not permit any of its Restricted Subsidiaries to, undertake (or allow to be undertaken at any property subject to its control) anything which will subject any such property to any obligation to conduct any investigation or remediation under any applicable Environmental Laws or regarding any Hazardous Material that could reasonably be expected to have a Material Adverse Effect, it being understood that the foregoing will not be deemed to limit (i) any obligation under applicable Environmental Law to disclose any relevant facts, conditions or circumstances to the appropriate Governmental Authority as and to the extent required by any such Environmental Law, (ii) any investigation or remediation required to be conducted under applicable Environmental Law, (iii) any investigation reasonably requested by a prospective purchaser of any property, *provided* that such investigation is subject to conditions and limitations (including indemnification and insurance obligations regarding the conduct of such investigation) that are reasonably protective of the Issuer and any Restricted Subsidiary, or (iv) any investigation or remediation required pursuant to any lease agreements with the owners of any Properties.

7.14 Transactions with Affiliates. Except for payment of Restricted Payments permitted by Section 7.4, the Issuer will not, and will not permit any other Group Member to, enter into any transaction, including any purchase, sale, lease or exchange of Property or the rendering of any service, with any Affiliate (other than between the Issuer and other Note Parties) unless such transactions are otherwise not prohibited under this Agreement and are upon fair and reasonable terms no less favorable to it than it would obtain in a comparable arm's length transaction with a Person not an Affiliate.

7.15 Subsidiaries. The Issuer shall not, and shall not permit any of its Restricted Subsidiaries to, sell, assign or otherwise Dispose of any Equity Interests in any Group Members except in compliance with Section 7.9. The Issuer shall not, and shall not permit any other Group Member to, have any foreign Subsidiaries (other than those in existence on the Closing Date).

7.16 Negative Pledge Agreements; Dividend Restrictions. The Issuer will not, and will not permit any of its Restricted Subsidiaries to, create, incur, assume or suffer to exist any contract, agreement or understanding which in any way prohibits or restricts (a) the granting, conveying, creation or imposition of any Lien on any of its Property to secure the Obligations or which (i) requires the consent of other Persons in connection therewith or (ii) provides that any such occurrence shall constitute a default or breach of such agreement or (b) the Issuer or any Restricted Subsidiary from (i) paying dividends or making distributions to any Note Party, (ii) paying any Indebtedness owed to any Note Party (other than any restrictions imposed on any Note Party making any such payment pursuant to the Note Documents during an Event of Default or pursuant to the terms of any First Lien Loan Documents having the same restrictions as the Note Documents), (iii) making loans or advances to, or other Investments in, any Note Party (other than any restrictions imposed on any Note Party making such loan or advance pursuant to the Note Documents during an Event of Default or pursuant to the terms of any First Lien Loan Documents having the same restrictions as the Note Documents) or (iv) prepaying or repaying Obligations; *provided* that (A) the foregoing shall not apply to restrictions and conditions under the Note Documents and (B) clause (a) of the foregoing shall not apply to restrictions or conditions imposed by any agreement for purchase money Indebtedness or ~~Capital~~**Finance** Lease Obligations permitted by this Agreement if such restrictions or conditions apply only to the Property securing such purchase money Indebtedness or ~~Capital~~**Finance** Lease Obligations.

7.17 Swap Agreements.

(a) The Issuer will not, and will not permit any other Group Member to, enter into any Swap Agreements with any Person other than:

(i) Swap Agreements with an Approved Counterparty in respect of commodities entered into not for speculative purposes the notional volumes for which (when aggregated with other commodity Swap Agreements then in effect other than Permitted Basis Differential Swaps) do not exceed, as of the date such Swap Agreement is entered into (A) ninety percent (90%) of the reasonably anticipated projected production (as such production is projected in the most recent Reserve Report delivered pursuant to the terms of this Agreement) from Proved Reserves from the Issuer's and its Restricted Subsidiaries' Oil and Gas Properties for each month during the period which such Swap Agreement is in effect for each of crude oil, natural gas and natural gas liquids, calculated separately (it being understood that natural gas liquids may be hedged with Swap Agreements for natural gas, in which case any such Swap Agreements for natural gas shall be measured as counting toward the amount notional volumes of natural gas liquids which are permitted to be subject to Swap Agreements hereunder on a BTU equivalent basis), for the period of twenty-four (24) months following the date such Swap Agreement is entered into and (B) ninety percent (90%) of the reasonably anticipated projected production (as such production is projected in the most recent Reserve Report delivered pursuant to the terms of this Agreement) from the Issuer's and its Restricted Subsidiaries' proved, developed, producing Oil and Gas Properties for each month during the period which such Swap Agreement is in effect for each of crude oil, natural gas and natural gas liquids, calculated separately (it being understood that natural gas liquids may be hedged with Swap Agreements for natural gas, in which case any such Swap Agreements for natural gas shall be measured as counting toward the amount notional volumes of natural gas liquids which are permitted to be subject to Swap Agreements hereunder on a BTU equivalent basis) for the period of twenty-five (25) to sixty (60) months following the date such Swap Agreement is entered into; provided that (x) the Issuer may update the projections referenced in Section 7.17(a)(i)(A) and Section 7.17(a)(i)(B) above (as well as Section 7.17(a)(ii)(A) below) by providing the Agent an internal report prepared by or under the supervision of the chief engineer of the Issuer and its other Group Members and any additional informational reasonably requested by the Agent that is, in each case, reasonably satisfactory to the Agent (and shall include new reasonably anticipated Hydrocarbon production from new wells or other production improvements and any dispositions, well shut-ins and other reductions of, or decreases to, production) and (y) any Swap Agreements shall not, in any case, have a tenor of greater than five (5) years; provided further that the foregoing limitations shall not apply to purchased put options or floors for Hydrocarbons that are not related to corresponding calls, collars or swaps and with respect to which any Group Member has no payment obligation other than premiums and charges the total amount of which are fixed and known at the time such transaction is entered into;

(ii) in connection with a proposed acquisition by the Issuer or its Restricted Subsidiaries of Oil and Gas Properties pursuant to a binding and enforceable purchase and sale agreement and in addition to the Swap Agreements permitted to be entered into pursuant to Section 7.17(a)(i), Swap Agreements with Approved Counterparties in respect of commodities entered into not for speculative purposes; provided that:

(A) the notional volumes for which (exclusive of puts and floors on volumes already hedged pursuant to other Swap Agreements for which the total amount of obligations thereunder are known and fixed at the time such transaction is entered into and Permitted Basis Differential Swaps) do not exceed, as of the date such Swap Agreement is entered into (as such production is projected in the most recent Reserve Report delivered pursuant to the terms of this Agreement (subject to the terms of the proviso in Section 7.17(a)(i)(x))) and for each month during the period during which such Swap Agreement is in effect~~)~~ fifteen percent (15%) of the reasonably anticipated production from Proved Reserves from the Issuer's and its Restricted Subsidiaries' Oil and Gas Properties for each month during the period which such Swap Agreement is in effect for each of crude oil, natural gas and natural gas liquids, calculated separately (it being understood that natural gas liquids may be hedged with Swap Agreements for natural gas in which case any such Swap Agreements for natural gas shall be measured as counting toward the amount notional volumes of natural gas liquids which are permitted to be subject to Swap Agreements hereunder on a BTU equivalent basis) for the period of thirty-six (36) months following the date such Swap Agreement is entered into;

(B) such Swap Agreements are entered into on or after the date on which the Issuer or any of its Restricted Subsidiaries signs such a binding and enforceable purchase and sale agreement in connection with such proposed acquisition of Oil and Gas Properties;

(C) such Swap Agreements shall not, in any case, have a tenor of greater than three (3) years; and

(D) the Issuer shall Unwind such Swap Agreements to the extent necessary to be in compliance with the limitations set forth in Section 7.17(a)(i) on the earliest of (1) the date of consummation of such proposed acquisition of Oil and Gas Properties, (2) the date that is 90 days after the execution of the purchase and sale agreement relating to such acquisition to the extent that such acquisition has not been consummated by such date, and (3) any Note Party knows with reasonable certainty that such acquisition will not be consummated or such purchase and sale agreement is terminated; and

(iii) Swap Agreements in respect of interest rates with an Approved Counterparty, which effectively convert interest rates from floating to fixed, the notional amounts of which (when aggregated with all other Swap Agreements of the Issuer and its Subsidiaries then in effect effectively converting interest rates from floating to fixed) do not exceed 80% of the then outstanding principal amount of all the Issuer's Indebtedness for borrowed money which bears interest at a floating rate;

(b) in no event shall any Swap Agreement contain any requirement, agreement or covenant for any Group Member to post collateral or margin to secure their obligations under such Swap Agreement or to cover market exposures (other than under the Security Instruments);

(c) Swap Agreements shall only be entered into in the ordinary course of business (and not for speculative purposes);

(d) no Swap Agreement in respect of commodities shall be terminated, unwound, cancelled or otherwise disposed of except to the extent permitted by Section 7.11; and

(e) if, after the end of any calendar month, the aggregate volume of all Swap Agreements in respect of commodities for which settlement payments were calculated in such calendar month and the preceding calendar month (other than Permitted Basis Differential Swaps) exceeded, or will exceed, 100% of actual production of crude oil, natural gas and natural gas liquids, calculated separately, in such calendar months, then the Issuer shall terminate, create off-setting positions, allocate volumes to other production the Issuer or any Subsidiary is marketing, or otherwise Unwind existing Swap Agreements such that, at such time, future hedging volumes will not exceed 100% of reasonably anticipated projected production from proved, developed producing Oil and Gas Properties for each of crude oil, natural gas and natural gas liquids, calculated separately, for the then-current and any succeeding calendar months.

7.18 Amendments to Organizational Documents and Material Contracts. The Issuer shall not, and shall not permit any other Group Member to, amend, supplement or otherwise modify (or permit to be amended, supplemented or modified) its Organizational Documents or the First Lien Loan Documents in any material respect that could reasonably be expected to be materially adverse to the interests of the ~~**Administrative**~~ Agent or the Holders without the consent of the Requisite Holders.

7.19 Changes in Fiscal Periods. The Issuer shall not, and shall not permit any other Group Member to have its Fiscal Year end on a date other than December 31 or change the its method of determining Fiscal Quarters.

7.20 Amendments to Senior Debt; Collateral; Borrowing Base.

(a) The Issuer and Note Parties shall not amend, waive, modify or supplement and shall not consent to any amendment, waiver, modification or supplement to the First Lien Loan Documents (as defined in the Intercreditor Agreement) or incur, create, assume or suffer to exist any First Lien Obligations (as defined in the Intercreditor Agreement), including pursuant to any Permitted Revolver Refinancing, under any First Lien **Loan** Documents, if the effect thereof would be to (i) modify a covenant, event of default or any other provision in the First Lien Loan Documents in a manner that prohibits or restricts one or more Group Members from making payments of principal, interest or otherwise in respect of the Obligations in a manner that is more restrictive than as permitted under the First Lien Loan Documents as in effect on the Closing Date, (ii) (A) subordinate in right of payment any First Lien Obligations to any other Indebtedness or subordinate the Liens securing First Lien Obligations to any other Lien (other than any DIP Financing Lien as defined in the Intercreditor Agreement) or (B) other than by operation of law, permit any Indebtedness (other than the First Lien Obligations) to be senior in right of payment or senior or *pari passu* in right of Lien priority to the Obligations (for avoidance of the doubt, the foregoing shall preclude the 'layering' of Indebtedness of the type set forth in clause (a) of the definition of Indebtedness that is senior in right of payment, or senior or *pari passu* in right of Lien priority to the Obligations), (iii) increase the applicable margin or any other component of yield under the under the First Lien Loan Documents such that the yield under the First Lien Credit Agreement (excluding increases resulting from the accrual of interest at the default rate) exceeds by more than 300 basis points the yield under the First Lien Credit Agreement on the Closing Date at any Borrowing Base utilization level (for the purpose of making such determination, the LIBO Rate (as defined in the First Lien Credit Agreement on the date hereof) will be calculated in accordance with the then existing First Lien Credit Agreement (it being understood (A) for avoidance of doubt, that fluctuations in the LIBO Rate shall not be included in such determination of yield and (B) arrangement fees, structuring fees, commitment fees, underwriting fees or other fees payable to any lead arranger (or its affiliates) in connection with arranging such amendment, restatement, supplement, modification or Refinancing shall not be included in such determination of yield)), (iv) permit the Borrowing Base to not be subject to a customary scheduled redetermination for a conforming commercial banking borrowing base facility at least once in each eighteen (18) calendar month period, or (v) contravene any provision of the Intercreditor Agreement; and

(b) Issuer will not, and will not permit any Subsidiary, to grant a Lien on any Property to secure obligations outstanding under the First Lien Credit Facility without substantially contemporaneously granting to the Agent, as security for the Obligations, a second priority Lien on the same property pursuant to the Security Instruments (it being understood that if any Security Instruments need to be executed to grant such Lien they shall be in form and substance reasonably satisfactory to the Requisite Holders **(;** provided that, prior to Discharge of First Lien Non-Excluded Obligations, such documentation when entered into shall be substantially similar to the applicable corresponding First Lien Collateral Document(s)).

7.21 Anti-Layering. No Note Party will incur or suffer to exist any Indebtedness (other than the Notes or other Obligations) that (a) is secured by Liens that are contractually subordinated to the Liens securing the First Lien Secured Obligations other than Liens that secure Indebtedness on an equal and ratable basis with, and are *pari passu* or subordinated to the priority of, the Liens securing the Notes and Obligations and is otherwise on substantially identical terms and is otherwise permitted hereunder or (b) has rights with respect to the receipt of proceeds of collateral following the exercise of any rights or remedies that is junior to the rights of holder of the First Lien Secured Obligations as in effect on the date hereof unless such rights of the holders of such Indebtedness are junior in all respects to such rights of the Holders.

ARTICLE VIII.
EVENTS OF DEFAULT; REMEDIES

8.1 Events of Default. One or more of the following events shall constitute an "Event of Default":

(a) the Issuer shall fail to pay any principal of, or premium on, any Note when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof, by acceleration or otherwise;

(b) the Issuer shall fail to pay any interest on any Note or any fee or any other amount (other than an amount referred to in Section 8.1(a)) payable under any Note Document, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of five (5) days;

(c) any representation or warranty made or deemed made by or on behalf of the Issuer or any other Group Member in or in connection with any Note Document or any amendment or modification of any Note Document or waiver under such Note Document, or in any report, notice, certificate, financial statement or other document furnished pursuant to or in connection with any Note Document or any amendment or modification thereof or waiver thereunder, shall prove to have been incorrect in any material respect when made or deemed made;

(d) the Issuer or any other Group Member shall fail to observe or perform any covenant, condition or agreement contained in Section 6.1(j), Section**6.1(s), Section**6.2, Section 6.3 (only with respect to the Issuer's existence), Section 6.17 or in Article VII;

(e) the Issuer or any other Group Member shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those specified in Section 8.1(a), Section 8.1(b), Section 8.1(c) or Section 8.1(d)) or any other Note Document, and such failure shall continue unremedied for a period of 30 days after the earlier to occur of (A) notice thereof from the Agent to the Issuer (which notice will be given at the request of any Holder) or (B) a Responsible Officer of the Issuer or such other Group Member otherwise becoming aware of such default;

(f) the Issuer or any other Group Member shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Material Indebtedness (including the First Lien Credit Facility), when and as the same shall become due and payable and such failure continues after the applicable grace or notice period, if any, specified in the relevant document for such Material Indebtedness;

(g) (i) any other event or condition occurs that results in any Material Indebtedness (other than the Indebtedness under the First Lien Credit Facility) of any Group Member becoming due prior to its scheduled maturity or that enables or permits (after giving effect to any applicable notice periods, if any, and any applicable grace periods) the holder or holders of any such Material Indebtedness or any trustee or agent on its or their behalf to cause any such Material Indebtedness to become due, or to require the Redemption thereof or any offer to Redeem to be made in respect thereof, prior to its scheduled maturity or require the Issuer or any other Group Member to make an offer in respect thereof or (ii) any event or condition occurs that results in any Indebtedness under the First Lien Credit Facility becoming due prior to its scheduled maturity or subject to a mandatory prepayment to be made in respect thereof, prior to its scheduled maturity; provided, however that this clause (g)(ii) shall not apply to Indebtedness under the First Lien Credit Facility that becomes due as a result of (x) any Borrowing Base Deficiency or (y) the sale, transfer or other disposition of property or assets securing such Indebtedness permitted under the terms thereof;

(h) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of any Group Member, or its or their debts, or of a substantial part of its or their assets, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Issuer or any other Group Member or for a substantial part of its or their assets, and, in any such case, such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered;

(i) the Issuer or any other Group Member shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in Section 8.1(h), (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Issuer or any other Group Member or for a substantial part of its or their assets, (iv) file an answer admitting the material allegations of a petition filed against it or them in any such proceeding, (v) make a general assignment for the benefit of creditors, (vi) take any action for the purpose of effecting any of the foregoing; or any partner, or stockholder of the Issuer shall make any request or take any action for the purpose of calling a meeting of the partners or stockholders, as applicable, of the Issuer to consider a resolution to dissolve and wind up the Issuer's affairs or (vii) become unable, admit in writing its inability or fail generally to pay its debts as they become due;

(j) (i) one or more judgments for the payment of money in an aggregate amount in excess of $10,000,000 (to the extent not covered by independent third party insurance as to which the insurer does not dispute coverage and is not subject to an insolvency proceeding) or (ii) any one or more non-monetary judgments that have, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, shall be rendered against any Group Member or any combination thereof and the same shall remain undischarged for a period of sixty (60) consecutive days during which execution shall not be effectively stayed;

(k) the Note Documents after delivery thereof shall for any reason, except to the extent permitted by the terms thereof, cease to be in full force and effect and valid, binding and enforceable in accordance with their terms against the Issuer or a Note Party that is a party thereto or shall be repudiated by any of them, or cease to create a valid and perfected Lien of the priority required thereby on any Collateral purported to be covered thereby, except to the extent permitted by the terms of this Agreement, or the Issuer or any other Note Party or any of their Affiliates shall so state or assert in writing; or

(l) a Change in Control shall occur.

8.2 Remedies.

(a) In the case of an Event of Default other than one described in Section 8.1(h) or Section 8.1(i), at any time thereafter during the continuance of such Event of Default, the Agent may (acting at the request of the Requisite Holders), and at the request of the Requisite Holders, shall, by notice to the Issuer, take either or both of the following actions, at the same or different times: (i) terminate the Commitments, and thereupon the Commitments shall terminate immediately, and (ii) declare the Notes then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Notes so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Issuer and the other Note Parties accrued hereunder and under the Notes and the other Note Documents, shall become due and payable immediately, without presentment, demand, protest, notice of intent to accelerate, notice of acceleration or other notice of any kind, all of which are hereby waived by the Issuer and the other Note Parties; and in case of an Event of Default described in Section 8.1(h) or Section 8.1(i), the Commitments shall automatically terminate and the Notes and the principal of the Notes then outstanding, together with accrued interest thereon and all fees and the other obligations of the Issuer and the other Note Parties accrued hereunder and under the Notes and the other Note Documents, shall automatically and immediately become due and payable, without presentment, demand, protest, notice of intent to accelerate, notice of acceleration or other notice of any kind, all of which are hereby waived by the Issuer and the other Note Parties. In the case of the occurrence of an Event of Default, the Agent and the Holders will have all other rights and remedies available at law and equity.

(b) All proceeds realized from the liquidation or other disposition of Collateral or otherwise received after maturity of the Notes, whether by acceleration or otherwise, shall be applied:

(i) first, to payment or reimbursement of that portion of the Obligations constituting fees, expenses and indemnities payable to the Agent in its capacity as such (including any costs and expenses related to foreclosure or realization upon, or protecting, Collateral);

(ii) second, pro rata to payment or reimbursement of that portion of the Obligations constituting fees, expenses and indemnities payable to the Holders and the other Indemnitees under Section 10.3;

(iii) third, pro rata to payment of accrued Interest (including interest at the Default Rate, if any) on the Notes;

(iv) fourth, pro rata to pay the Make-Whole Amount, Repayment Fee or other amount due and payable pursuant to Section 2.12(g), if any, on the Notes (including, for the avoidance of doubt, any Make-Whole Amount, any Repayment Fee or other amount due and payable pursuant to Section 2.12(g) resulting from the prepayment of principal under clause fifth below);

(v) fifth, pro rata to payment of principal outstanding on the Notes which have not yet been reimbursed by or on behalf of the Issuer at such time;

(vi) sixth, pro rata to any other Obligations; and

(vii) seventh, any excess, after all of the Obligations shall have been indefeasibly paid in full in cash, shall be paid to the Issuer or as otherwise required by any Governmental Requirement.

Without limiting the generality of the foregoing, it is understood and agreed that if the Obligations are accelerated or otherwise become due prior to the Maturity Date, in each case, in respect of any Event of Default (including, but not limited to, upon the occurrence of a bankruptcy or insolvency event (including the acceleration of claims by operation of law)), the Make-Whole Amount with respect to an optional prepayment of the Notes will also be due and payable as though the Notes were optionally prepaid and shall constitute part of the Obligations, in view of the impracticability and extreme difficulty of ascertaining actual damages and by mutual agreement of the parties as to a reasonable calculation of each Holder's lost profits as a result thereof. Any premium payable above shall be presumed to be the liquidated damages sustained by each Holder as the result of the early prepayment and the Issuer agrees that it is reasonable under the circumstances currently existing. The premium shall also be payable in the event the Loans are satisfied or released by foreclosure (whether by power of judicial proceeding), deed in lieu of foreclosure or by any other means. THE ISSUER EXPRESSLY WAIVES (TO THE FULLEST EXTENT IT MAY LAWFULLY DO SO) THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE OR LAW THAT PROHIBITS OR MAY PROHIBIT THE COLLECTION OF THE FOREGOING PREMIUM IN CONNECTION WITH ANY SUCH ACCELERATION. The Issuer expressly agrees (to the fullest extent it may lawfully do so) that: (A) the premium is reasonable and is the product of an arm's length transaction between sophisticated business people, ably represented by counsel; (B) the premium shall be payable notwithstanding the then prevailing market rates at the time payment is made; (C) there has been a course of conduct between Holders and the Issuer giving specific consideration in this transaction for such agreement to pay the premium; and (D) the Issuer shall be estopped hereafter from claiming differently than as agreed to in this paragraph. The ~~**Company**~~**Issuer** expressly acknowledges that its agreement to pay the premium to the Holders as herein described is a material inducement to Holders to purchase the Notes.

ARTICLE IX.
AGENT

9.1 Appointment of Agent. U.S. Bank National Association is hereby appointed Agent hereunder and under the other Note Documents and each Holder hereby authorizes U.S. Bank National Association, in such capacity, to act as its agent (including as collateral agent) in accordance with the terms hereof and the other Note Documents. Agent hereby agrees to act upon the express conditions contained herein and the other Note Documents, as applicable. The provisions of this Section 9.1 are solely for the benefit of Agent and the Holders and no Note Party shall have any rights as a primary or third party beneficiary of any of the provisions thereof, except as expressly set forth herein. In performing its functions and duties hereunder, Agent shall act solely as an agent of the Holders and does not assume and shall not be deemed to have assumed any obligation towards or relationship of agency or trust with or for any Note Party or any Affiliate thereof.

9.2 Powers and Duties. Each Holder irrevocably authorizes Agent to take such action on such Holder's behalf and to exercise such powers, rights and remedies and perform such duties hereunder and under the other Note Documents as are specifically delegated or granted to Agent by the terms hereof and thereof, together with such actions, powers, rights and remedies as are reasonably incidental thereto. Agent shall have only those duties and responsibilities that are expressly specified herein and the other Note Documents. Without limiting the generality of the foregoing, Agent shall not have or be deemed to have, by reason hereof or any of the other Note Documents, a fiduciary relationship in respect of any Holder; and nothing herein or any of the other Note Documents, expressed or implied, is intended to or shall be so construed as to impose upon Agent any obligations in respect hereof or any of the other Note Documents except as expressly set forth herein or therein.

9.3 General Immunity.

(a) No Responsibility for Certain Matters. Agent shall not be responsible to any Holder for the execution, effectiveness, genuineness, validity, enforceability, collectability or sufficiency hereof or any other Note Document or for any representations, warranties, recitals or statements made herein or therein or made in any written or oral statements or in any financial or other statements, instruments, reports or certificates or any other documents furnished or made by Agent to the Holders or by or on behalf of any Note Party to Agent or any Holder in connection with the Note Documents and the transactions contemplated thereby or for the financial condition or business affairs of any Note Party or any other Person liable for the payment of any Obligations, nor shall Agent be required to ascertain or inquire as to the performance or observance of any of the terms, conditions, provisions, covenants or agreements contained in any of the Note Documents or as to the use of the proceeds of the Notes or as to the existence or possible existence of any Event of Default or Default or to make any disclosures with respect to the foregoing. Agent shall not be responsible for the satisfaction of any condition set forth in Article III or elsewhere in any Note Document, other than to confirm receipt of items expressly required to be delivered to Agent. Agent will not be required to take any action that is contrary to applicable law or any provision of this Agreement or any Note Document. Anything contained herein to the contrary notwithstanding, Agent shall not have any liability arising from confirmations of the amount of outstanding Notes or the component amounts thereof.

(b) Exculpatory Provisions. Subject to clause (b)(ii) hereof further limiting the liability of Agent, neither Agent nor any of its officers, partners, directors, employees or agents shall be liable to the Holders for any action taken or omitted by Agent under or in connection with any of the Note Documents, except to the extent caused by Agent's gross negligence or willful misconduct as determined by a court of competent jurisdiction in a final, nonappealable order. Agent shall be entitled to refrain from any act or the taking of any action (including the failure to take an action) in connection herewith or any of the other Note Documents or from the exercise of any power, discretion or authority vested in it hereunder or thereunder, except powers and authority expressly contemplated hereby or thereby, unless and until Agent shall have received written instructions in respect thereof from Requisite Holders (or the Holders as may be required to give such instructions under Section 10.6) or in accordance with the applicable Security Instrument, and, upon receipt of such instructions from Requisite Holders (or the Holders, as the case may be), or in accordance with the other applicable Security Instrument, as the case may be, Agent shall act or (where so instructed) refrain from acting, or to exercise such power, discretion or authority, in accordance with such instructions. Without prejudice to the generality of the foregoing, (i) Agent shall be entitled to rely, and shall be fully protected in relying, upon any communication, instrument or document believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons, and shall be entitled to rely and shall be protected and free from liability in relying on opinions and judgments of attorneys (who may be attorneys for the Note Parties), accountants, experts and other professional advisors selected by it; and (ii) no Holder shall have any right of action whatsoever against Agent as a result of Agent acting or (where so instructed) refraining from acting hereunder or any of the other Note Documents in accordance with the instructions of Requisite Holders (or the Holders as may be required to give such instructions under Section 10.6) or in accordance with the applicable Security Instrument. Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Note Document unless Agent shall first receive such advice or concurrence of the Holders (as required by this Agreement) and until such instructions are received, Agent shall act, or refrain from acting, as it deems advisable. If Agent so requests, it shall first be indemnified to its reasonable satisfaction by the Holders against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Note Document in accordance with a request or consent of the Requisite Holders and such request and any action taken or failure to act pursuant thereto shall be binding upon all of the Holders. No provision of this Agreement or any other Note Document or any agreement or instrument contemplated hereby or thereby, the transactions contemplated hereby or thereby shall require Agent to: (i) expend or risk its own funds or provide indemnities in the performance of any of its duties hereunder or the exercise of any of its rights or power or (ii) otherwise incur any financial liability in the performance of its duties or the exercise of any of its rights or powers. Agent shall not be responsible for (i) perfecting, maintaining, monitoring, preserving or protecting the security interest or lien granted under this Agreement, any other Note Document or any agreement or instrument contemplated hereby or thereby, (ii) the filing, re-filing, recording, re- recording or continuing of any document, financing statement, mortgage, assignment, notice, instrument of further assurance or other instrument in any public office at any time or times, or (iii) providing, maintaining, monitoring or preserving insurance on or the payment of taxes with respect to any of the Collateral. The actions described in items (i) through (iii) of the immediately preceding sentence shall be the responsibility of the Holders and the Note Parties. Agent shall not be required to qualify in any jurisdiction in which it is not presently qualified to perform its obligations as Agent. Agent has accepted and is bound by the Note Documents executed by Agent as of the date of this Agreement and, as directed in writing by the Requisite Holders, Agent shall execute additional Note Documents delivered to it after the date of this Agreement; provided, however, that such additional Note Documents do not adversely affect the rights, privileges, benefits and immunities of Agent. Agent will not otherwise be bound by, or be held obligated by, the provisions of any loan agreement, indenture or other agreement governing the Obligations (other than this Agreement and the other Note Documents to which such Agent is a party). No written direction given to Agent by the Requisite Holders or any Note Party that in the sole judgment of Agent imposes, purports to impose or might reasonably be expected to impose upon Agent any obligation or liability not set forth in or arising under this Agreement and the other Note Documents will be binding upon Agent unless Agent elects, at its sole option, to accept such direction. Agent shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement or the other Note Documents arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; terrorism; wars and other military disturbances; sabotage; epidemics; riots; business interruptions; loss or malfunctions of utilities, computer (hardware or software) or communication services; accidents; labor disputes; acts of civil or military authority and governmental action. Beyond the exercise of reasonable care in the custody of the Collateral in the possession or control of the Agent or its bailee, Agent will not have any duty as to any other Collateral or any income thereon or as to preservation of rights against prior parties or any other rights pertaining thereto. Agent will be deemed to have exercised reasonable care in the custody of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which it accords its own property, and Agent will not be liable or responsible for any loss or diminution in the value of any of the Collateral by reason of the act or omission of any carrier, forwarding agency or other agent or bailee selected by Agent in good faith. Agent will not be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority or enforceability of the Liens in any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder, except to the extent such action or omission constitutes gross negligence or willful misconduct on the part of Agent, as determined by a court of competent jurisdiction in a final, nonappealable order, for the validity or sufficiency of the Collateral or any agreement or assignment contained therein, for the validity of the title of any grantor to the Collateral, for insuring the Collateral or for the payment of taxes, charges, assessments or Liens upon the Collateral or otherwise as to the maintenance of the Collateral. Agent hereby disclaims any representation or warranty to the present and future holders of the Obligations concerning the perfection of the Liens granted hereunder or in the value of any of the Collateral. In the event that Agent is required to acquire title to an asset for any reason, or take any managerial action of any kind in regard thereto, in order to carry out any fiduciary or trust obligation for the benefit of another, which in Agent's sole discretion may cause Agent to be considered an "owner or operator" under any environmental laws or otherwise cause Agent to incur, or be exposed to, any environmental liability or any liability under any other federal, state or local law, Agent reserves the right, instead of taking such action, either to resign as Agent or to arrange for the transfer of the title or control of the asset to a court appointed receiver. Agent will not be liable to any person for any environmental liability or any environmental claims or contribution actions under any federal, state or local law, rule or regulation by reason of Agent's actions and conduct as authorized, empowered and directed hereunder or relating to any kind of discharge or Release or threatened discharge or Release of any Hazardous Materials into the environment. Each Holder authorizes and directs Agent to enter into this Agreement and the other Note Documents to which it is a party. Each Holder agrees that any action taken by Agent or Requisite Holders in accordance with the terms of this Agreement or the other Note Documents and the exercise by Agent or Requisite Holders of their respective powers set forth therein or herein, together with such other powers that are reasonably incidental thereto, shall be binding upon all of the Holders.

(c) Notice of Default. Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default, except with respect to Events of Default in the payment of principal, interest and fees required to be paid to Agent for the account of the Holders, unless Agent shall have received written notice from a Holder or the Issuer in accordance with the notice requirements of Section 10.1 herein referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default." Agent will notify the Holders of its receipt of any such notice, Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable or in the best interest of the Holders.

(d) Exculpation of the Placement Agent.

(i) The Holders acknowledge that the Placement Agents have not made any representations and warranties with respect to the Issuer or the investment contemplated by this Agreement, and the Holders will not rely on any statements made by the Placement Agents, orally or in writing, to the contrary.

(ii) The Holders acknowledge that they have negotiated the investment contemplated by this Agreement directly with the Issuer, and the Placement Agents will not be responsible for the ultimate success of any such investment.

(iii) In light of the Holders' representations and warranties set forth in Article V ~~and Section 9.03(ii)~~of this Agreement and the foregoing, to the fullest extent permitted by law, the Holders release the Placement agents and their respective employees, officers and affiliates from any liability with respect to the Holders' participation, or proposed participation, in the investment contemplated by this Agreement. This Section ~~9.03~~**9.3**(d) shall survive any termination of this Agreement. The Placement Agents have introduced the Holders to the Issuer in reliance on the Holders' understanding and agreement to this Section ~~9.03~~**9.3**(d).

9.4 The Holders' Representations, Warranties and Acknowledgment.

(a) Each Holder represents and warrants to Agent that it has made its own independent investigation of the financial condition and affairs of each Note Party, without reliance upon Agent or any other Holder and based on such documents and information as it has deemed appropriate, in connection with Note Purchases hereunder and that it has made and shall continue to make its own appraisal of the creditworthiness of each Note Party. Agent shall not have any duty or responsibility, either initially or on a continuing basis, to make any such investigation or any such appraisal on behalf of the Holders or to provide any Holder with any credit or other information with respect thereto, whether coming into its possession before the purchase of the Notes or at any time or times thereafter, and Agent shall not have any responsibility with respect to the accuracy of or the completeness of any information provided to the Holders.

(b) Each Holder, by delivering its signature page to this Agreement or a joinder agreement and funding its Note, shall be deemed to have acknowledged receipt of, and consented to and approved, each Note Document and each other document required to be approved by Agent, Requisite Holders or the Holders, as applicable.

9.5 Successor Agent.

(a) Subject to the appointment and acceptance of a successor Agent as provided in this Section 9.5, the Agent may resign at any time by giving thirty (30) days' prior written notice thereof to the Requisite Holders, and the Issuer. Agent may be removed as Agent at the request of the Requisite Holders. Upon any such notice of resignation or removal, Requisite Holders shall have the right (in consultation with the Issuer unless an Event of Default shall have occurred and is continuing), to appoint a successor Agent. If no successor shall have been so appointed by the Requisite Holders and shall have accepted such appointment within thirty (30) days after the retiring Agent gives notice of its resignation, then the retiring Agent's resignation shall nevertheless thereupon become effective and the Requisite Holders shall perform all of the duties of Agent, as applicable, hereunder until such time, if any, as the Requisite Holders appoint a successor Agent as provided for above. In such case, the Requisite Holders shall appoint one Person to act as Agent for purposes of any communications with the Issuer, and until the Issuer shall have been notified in writing of such Person and such Person's notice address as provided for in Section 10.1, the Issuer shall be entitled to give and receive communications to/from the resigning Agent. Upon the acceptance of any appointment as Agent hereunder by a successor Agent and the payment of the outstanding fees and expenses of the resigning or removed Agent, that successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring or removed Agent and the retiring or removed Agent shall promptly (i) transfer to such successor Agent all sums and other items of Collateral held under the Security Instruments, together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Agent under the Note Documents, and (ii) execute and deliver to such successor Agent such amendments to financing statements, and take such other actions, as may be reasonably requested in connection with the assignment to such successor Agent of the security interests created under the Security Instruments (the reasonable out-of-pocket expenses of which shall be borne by the Issuer), whereupon such retiring or removed Agent shall be discharged from its duties and obligations hereunder. After any retiring Agent's resignation or any Agent's removal hereunder as Agent, the provisions of this Section 9.5 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent hereunder.

(b) Delegation of Duties. Agent may perform any and all of its duties and exercise its rights and powers under this Agreement or under any other Note Document by or through any one or more sub-agents appointed by Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Affiliates. Agent shall not be responsible for the acts or omissions of its sub-agents so long as they are appointed with due care. The exculpatory, indemnification and other provisions of Section 9.3 shall apply to any Affiliates of Agent and shall apply to their respective activities in connection with the syndication of the Notes issued hereby. All of the rights, benefits and privileges (including the exculpatory and indemnification provisions) of Section 9.3 shall apply to any such sub-agent and to the Affiliates of any such sub-agent, and shall apply to their respective activities as sub-agent.

9.6 Security Instruments.

(a) Agent under Security Instruments; Releases. Each Holder and other Secured Party hereby irrevocably authorizes the Agent, on behalf of and for the benefit of the Holders and the other Secured Parties, to be the agent for and representative of the Holders and the other Secured Parties with respect to the Security Instruments and to enter into such other agreements with respect to the Collateral (including intercreditor agreements) as it may deem necessary with the consent of the Requisite Holders. The Agent is expressly authorized to execute any documents or instruments or take other actions necessary to (i) release any Lien (x) encumbering any item of Collateral that is the subject of a sale or other disposition of assets permitted hereby (including, without limitation, any collateral owned by a Restricted Subsidiary that is redesignated as an Unrestricted Subsidiary in accordance with Section 6.17) or (y) with respect to which release the Requisite Holders (or the Holders as may be required to give such consent under Section 10.6) have consented to, or (ii) release any Guarantor from the guarantee pursuant to the Guarantee and Collateral Agreement with respect to (x) any Person that no longer constitutes a Subsidiary as a result of a transaction permitted hereby or (y) which release the Requisite Holders (or such other Holders as may be required to give such consent under Section 10.6) have consented to.

(b) Right to Realize on Collateral and Enforce Guaranty. Anything contained in any of the Note Documents to the contrary notwithstanding, the Issuer, Agent and each Holder hereby agree that (i) no Holder shall have any right individually to realize upon any of the Collateral or to enforce any guaranty or exercise any other remedy provided under the Note Documents (other than the right of set-off), it being understood and agreed that all powers, rights and remedies hereunder may be exercised solely by Agent (acting at the written direction of the Requisite Holders), on behalf of the Holders in accordance with the terms hereof and all powers, rights and remedies under this Agreement and the Security Instruments may be exercised solely by Agent (acting at the written direction of the Requisite Holders), and (ii) in the event of a foreclosure by Agent on any of the Collateral pursuant to a public or private sale, Agent or its nominee may be the purchaser of any or all of such Collateral at any such sale and Agent, as agent for and representative of the Holders (but not any Holder or the Holders in its or their respective individual capacities unless the Requisite Holders shall otherwise agree in writing) shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply any of the Obligations arising under the Note Documents as a credit on account of the purchase price for any collateral payable by Agent at such sale.

9.7 Posting of Approved Electronic Communications.

(a) Delivery of Communications. Each Note Party hereby agree, unless directed otherwise by Agent or unless the electronic mail address referred to below has not been provided by Agent to such Person, that it will provide to Agent all information, documents and other materials that it is obligated to furnish to Agent or to the Holders pursuant to the Note Documents, including all notices, requests, financial statements, financial and other reports, certificates and other information materials, but excluding any such communication that (i) is or relates to a Note Purchase Notice, (ii) relates to the payment of any principal or other amount due under this Agreement prior to the scheduled date therefor, (iii) provides notice of any Default or Event of Default under this Agreement or any other Note Document, or (iv) is required to be delivered to satisfy any condition precedent to the effectiveness of this Agreement and/or any Note or other Note Purchase hereunder (all such non-excluded communications being referred to herein collectively as "**Communications**"), by transmitting the Communications in an electronic/soft medium that is properly identified in a format acceptable to the Issuer and Agent to an electronic mail address as directed by Agent. In addition, each Note Party agrees to continue to provide the Communications to Agent or the Holders, as the case may be, in the manner specified in the Note Documents.

(b) No Prejudice to Notice Rights. Nothing herein shall prejudice the right of Agent or any Holder to give any notice or other communication pursuant to any Note Document in any other manner specified in such Note Document.

9.8 Proofs of Claim . The Holders and each Note Party hereby agree that after the occurrence of an Event of Default pursuant to Sections 8.1(h) or (i), in case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to any Note Party, Agent (irrespective of whether the principal of any Note shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether Agent shall have made any demand on any Note Party) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of principal and interest owing and unpaid in respect of the Notes and any other Obligations that are owing and unpaid and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Holders, Agent and other agents (including any claim for the reasonable compensation, expenses, disbursements and advances of the Holders, Agent and other agents and their agents and counsel and all other amounts due the Holders, Agent and other agents hereunder) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, interim trustee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to Agent and, in the event that Agent shall consent to the making of such payments directly to the Holders, to pay to Agent any amount due for the compensation, expenses, disbursements and advances of Agent and its agents and counsel, and any other amounts due Agent and other agents hereunder. Nothing herein contained shall be deemed to authorize Agent to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Holders or to authorize Agent to vote in respect of the claim of any Holder in any such proceeding. Further, nothing contained in this Section 9.8 shall affect or preclude the ability of any Holder to (i) file and prove such a claim in the event that Agent has not acted within ten (10) days prior to any applicable bar date and (ii) require an amendment of the proof of claim to accurately reflect such Holder's outstanding Obligations.

9.9 Intercreditor Agreement . Each Holder (and each Person that becomes a Holder hereunder pursuant to Section 10.7) hereby authorizes the Agent to enter into, join or otherwise become party to the Intercreditor Agreement on behalf of such Holder, in each case, as needed to effectuate the transactions permitted by this Agreement and agrees that the Agent may take such actions on its behalf as is contemplated by the terms of Intercreditor Agreement. Without limiting the provisions of Sections 9.2 10.2 and 10.3, each Holder hereby consents to the Agent and any successor serving in such capacity and agrees not to assert any claim (including as a result of any conflict of interest) against the Agent, or any such successor, arising from the role of the Agent or such successor under the Note Documents or any such intercreditor agreement so long as it is either acting in accordance with the terms of such documents and otherwise has not engaged in gross negligence or willful misconduct (as determined in a final and non-appealable judgment by a court of competent jurisdiction). In addition, the Agent, or any such successor, shall be authorized, with the consent of the Requisite Holders, to execute or to enter into amendments of, and amendments and restatements of, the Security Instruments, the Intercreditor Agreement and any additional and replacement intercreditor agreements, as is contemplated by the terms of the Intercreditor Agreement.

Article X.
MISCELLANEOUS

10.1 Notices . Unless otherwise specifically provided herein, any notice or other communication herein required or permitted to be given to a Note Party or the Agent, shall be sent to such Person's address as set forth on Appendix B or in the other relevant Note Document, and in the case of any Holder, the address as indicated on Appendix B or otherwise indicated to Agent in writing. Each notice hereunder shall be in writing and may be personally served, sent by telefacsimile, electronic transmission or United States certified or registered mail or courier service and shall be deemed to have been given when delivered and signed for against receipt thereof, or upon confirmed receipt of telefacsimile or electronic transmission (which confirmation shall be made by telephone call by the sender to the Agent; confirmation by electronic messaging shall not be deemed to be confirmation of receipt). **All notices, approvals, consents, requests and any communications hereunder must be in writing, in English (provided that any such communication sent to the Agent hereunder must be delivered by electronic mail (if in the Agent's discretion), or in the form of a document that is signed manually or by way of a digital signature provided by DocuSign (or such other digital signature provider as specified in writing to the Agent by the authorized representative). The Issuer agrees to assume all risks arising out of the use of using digital signatures and electronic methods to submit communications to Agent, including without limitation the risk of Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.**

10.2 Expenses . Each Note Party shall pay (i) all reasonable and documented out-of-pocket expenses incurred by the Agent, the Holders and their Affiliates, including, without limitation, the reasonable and documented fees, charges and disbursements of one firm of counsel to the Holders and an additional firm of counsel to the Agent and other outside consultants for the Agent and the Holders, the reasonable travel, photocopy, mailing, courier, telephone and other similar expenses, and the cost of environmental audits and surveys and appraisals, in connection with the issuance of the Notes provided for herein, the preparation, negotiation, execution, delivery and administration (both before and after the execution hereof and including advice of counsel to the Agent and the Holders as to the rights and duties of the Agent and the Holder with respect thereto) of this Agreement and the other Note Documents and any amendments, modifications or waivers of or consents related to the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all costs, expenses and Other Taxes incurred by the Agent or any Holder in connection with any filing, registration, recording or perfection of any security interest contemplated by this Agreement or any Security Instrument or any other document referred to therein and (iii) all out-of-pocket expenses incurred by the Agent or any Holder, including the fees, charges and disbursements of counsel in connection with the enforcement or protection of its rights in connection with this Agreement or any other Note Document, including its rights under this Section 10.2, or in connection with the Notes issued hereunder, including, without limitation, all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Notes.

10.3 Indemnity. **(a)** In addition to the payment of expenses pursuant to Section 10.2, whether or not any or all of the transactions contemplated hereby shall be consummated, each Note Party agrees to defend (provided that counsel shall be limited to (x) one (1) counsel to such Indemnitees, taken as a whole, one (1) local counsel in each relevant jurisdiction and one (1) regulatory counsel to all such Indemnitees with respect to a relevant regulatory matter, taken as a whole, (y), solely in the event of a conflict of interest, one (1) additional counsel (and, if necessary, one (1) regulatory counsel and one (1) local counsel in each relevant jurisdiction or for each matter)), indemnify, pay and hold harmless, Agent and each Holder, their Affiliates and its and their respective officers, members, shareholders, partners, directors, trustees, employees, advisors (including attorneys, accountants and experts), representatives and agents and each of their respective successors and assigns and each Person who controls any of the foregoing (each, an "**Indemnitee**"), from and against any and all Indemnified Liabilities, **IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY, OR SOLE NEGLIGENCE OF SUCH INDEMNITEE**; provided, no Note Party shall have any obligation to any Indemnitee hereunder with respect to any Indemnified Liabilities if such Indemnified Liabilities arise from the gross negligence, willful misconduct or bad faith of that Indemnitee as determined by a court of competent jurisdiction in a final, nonappealable order, provided that each Note Party shall not indemnify any Indemnitee for (i) claims among the Holders and Agent or between the Holders and their related parties to the extent not related to a breach of an obligation of a Note Party or (ii) losses, claims, damages, liabilities or related expenses that are determined by a court of competent jurisdiction by final and nonappealable judgment to be a direct result of a breach of this Agreement by an Indemnitee. To the extent that the undertakings to defend, indemnify, pay and hold harmless set forth in this Section 10.3 may be unenforceable in whole or in part because they are violative of any law or public policy, the applicable Note Party shall contribute the maximum portion that it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all Indemnified Liabilities incurred by Indemnitees or any of them.

(b) To the extent permitted by applicable law, no party hereto and no Note Party shall assert, and each party hereto and each Note Party hereby waives, releases and agrees not to sue upon any claim against any other party hereto and any Indemnitee, on any theory of liability, for special, indirect, exemplary, consequential or punitive damages (as opposed to direct or actual damages) (whether or not the claim therefor is based on contract, tort or duty imposed by any applicable legal requirement) arising out of, in connection with, as a result of, or in any way related to, this Agreement, any Note Document or any agreement or instrument contemplated hereby or thereby or referred to herein or therein, the transactions contemplated hereby or thereby, any Note or the use of the proceeds thereof or any act or omission or event occurring in connection therewith, and each party hereto and each Note Party hereby waives, releases and agrees not to sue upon any such claim or any such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

(c) Each Note Party hereby acknowledges and agrees that an Indemnitee may now or in the future have certain rights to indemnification provided by other sources ("**Other Sources**"). Each Note Party hereby agrees that (i) it is the indemnitor of first resort (i.e., its obligations to the Indemnitees are primary and any obligation of the Other Sources to provide indemnification for the same Indemnified Liabilities are secondary to any such obligation of the Note Party), (ii) that it shall be liable for the full amount of all Indemnified Liabilities, without regard to any rights the Indemnitees may have against the Other Sources, and (iii) it irrevocably waives, relinquishes and releases the Other Sources and the Indemnitees from any and all claims (A) against the Other Sources for contribution, indemnification, subrogation or any other recovery of any kind in respect thereof and (B) that an Indemnitee must seek expense advancement or reimbursement, or indemnification, from the Other Sources before the Note Party must perform its obligations hereunder. No advancement or payment by the Other Sources on behalf of an Indemnitee with respect to any claim for which such Indemnitee has sought indemnification from a Note Party shall affect the foregoing. The Other Sources shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery which the Indemnitee would have had against a Note Party if the Other Sources had not advanced or paid any amount to or on behalf of the Indemnitee.

10.4 Set Off . In addition to any rights now or hereafter granted under applicable law and not by way of limitation of any such rights, upon the occurrence of any Event of Default each Holder and its/their respective Affiliates is hereby authorized by each Note Party at any time or from time to time subject to the consent of Agent (such consent to be given or withheld at the written direction of the Requisite Holders), without notice to any Note Party or to any other Person (other than Agent), any such notice being hereby expressly waived, to set off and to appropriate and to apply any and all deposits (general or special, including Indebtedness evidenced by certificates of deposit, whether matured or unmatured, but not including trust accounts (in whatever currency)) and any other Indebtedness at any time held or owing by such Holder to or for the credit or the account of any Note Party (in whatever currency) against and on account of the obligations and liabilities of any Note Party to such Holder hereunder, and under the other Note Documents, including all claims of any nature or description arising out of or connected hereto or any other Note Document, irrespective of whether or not (a) such Holder shall have made any demand hereunder, (b) the principal of or the interest on the Notes or any other amounts due hereunder shall have become due and payable pursuant to Article II and although such obligations and liabilities, or any of them, may be contingent or unmatured, or (c) such obligation or liability is owed to a branch or office of such Holder different from the branch or office holding such deposit or obligation or such Indebtedness.

10.5 Sharing of Payments by the Holders . If any Holder shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest in any of its Notes or other Obligations hereunder resulting in such Holder receiving payment of a proportion of the aggregate amount of its Notes and accrued interest thereon or other such obligations greater than its pro rata share thereof as provided herein, then the Holder receiving such greater proportion shall (a) notify Agent of such fact, and (b) purchase (for Cash at face value) participations in the Notes and other Obligations of the Holders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Holders ratably in accordance with the aggregate amount of principal and accrued interest on their respective Notes and other amounts owing them; provided that:

(i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this paragraph shall not be construed to apply to (A) any payment made by the Issuer pursuant to and in accordance with the express terms of this Agreement, or (B) any payment obtained by a Holder as consideration for the assignment of or sale of a participation in any of its Notes or Obligations to any assignee or participant, other than to the Issuer or any Restricted Subsidiary thereof (as to which the provisions of this paragraph shall apply).

The Issuer consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Holder acquiring a participation pursuant to the foregoing arrangements may exercise against the Issuer rights of setoff and counterclaim with respect to such participation as fully as if such Holder were a direct creditor of the Issuer in the amount of such participation.

10.6 Amendments and Waivers .

(a) Requisite Holders' Consent. Subject to Sections 10.6(b) and 10.6(c), no amendment, modification, termination or waiver of any provision of the Note Documents, or consent to any departure by any Note Party therefrom, shall in any event be effective without the written concurrence of (i) in the case of this Agreement, the Issuer, Agent and the Requisite Holders or (ii) in the case of any other Note Document, the Issuer and Agent with the consent of the Requisite Holders.

(b) Affected Holders' Consent. Without the written consent of each Holder that would be affected thereby, no amendment, modification, or consent shall be effective if the effect thereof would:

(i) extend the scheduled final maturity of any Note of such Holder;

(ii) waive, reduce or postpone any scheduled repayment due such Holder (but not prepayment);

(iii) reduce the rate of interest on any Note of such Holder **(other than in connection with Section 2.15)** or reduce any fee payable hereunder;

(iv) increase the Commitment of such Holder;

(v) extend the time for payment of any such interest or fees to such Holder;

(vi) reduce the principal amount of any Note;

(vii) release (A) the Liens securing all or substantially all of the Collateral (including as a result of releasing Guarantors) or (B) all or substantially all of the Guarantors from the Guarantee and Collateral Agreement;

(viii) amend, modify, terminate or waive any provision of Sections 2.11, 2.12(f), 2.12(g), 2.13, 10.5, or Section 10.6(b); or

(ix) amend the definition of "Material Subsidiary", "Subsidiary", "Requisite Holders" or "Pro Rata Share";.

(c) Other Consents. No amendment, modification, termination, or waiver of any provision of the Note Documents, or consent to any departure by any Note Party therefrom, shall amend, modify, terminate or waive any provision of Article IX as the same applies to Agent or any Indemnitee Agent Party, or any other provision hereof as the same applies to the rights or obligations of Agent, in each case without the consent of Agent or any Indemnitee Agent Party.

(d) Execution of Amendments, etc. Agent shall, at the direction of the Holders, execute amendments, modifications, waivers or consents on behalf of the Holders. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. No notice to or demand on any Note Party shall entitle any Note Party to any other or further notice or demand in similar or other circumstances. Any amendment, modification, termination, waiver or consent effected in accordance with this Section 10.6(d) shall be binding upon each Holder at the time outstanding, each future Holder and, if signed by a Note Party, on such Note Party. Agent will deliver executed or true and correct copies of each amendment, modification, waiver, or consent effected pursuant to this Section 10.6 to each Holder promptly following the date on which it is executed and delivered, or receives the consent or approval of the requisite percentage of the Holders applicable thereto.

(e) Note Parties. Except as permitted or required under Sections 2.9 or 2.10, no Note Party will, and Issuer will not permit any of its Subsidiaries or any of the Note Parties to, directly or indirectly, offer to purchase, prepay, redeem or otherwise acquire any outstanding Notes.

(f) Amendment Consideration. None of Issuer or any of its Affiliates or any other party to any Note Documents, directly or indirectly, will pay or cause to be paid any remuneration, directly or indirectly, or grant any security as an inducement for, any proposed amendment or waiver of any of the provisions of this Agreement or any of the other Note Documents unless each Holder of the Notes (irrespective of the kind and amount of Notes then owned by it) shall be informed thereof by Issuer and, if such Holder is entitled to the benefit of any such provision proposed to be amended or waived, shall be afforded the opportunity of considering the same, shall be supplied by Issuer and any other party hereto with sufficient information to enable it to make an informed decision with respect thereto and shall paid such remuneration and granted such security on the same terms. For the avoidance of doubt, nothing in this Section 10.6(f) is intended to restrict or limit the amendment requirements otherwise set forth herein.

(g) Consent in Contemplation of Transfer. Any consent given pursuant to this Section 10.6 or any other Note Document by a Holder that has transferred or has agreed to transfer its Note to any Person in connection with, or in anticipation of, such Person acquiring, making a tender offer for or merging with the Issuer, any Note Party and/or any of their Affiliates, shall be void and of no force or effect except solely as to such Holder, and any amendments, modifications or terminations effected or waivers or consents granted or to be effected or granted that would not have been or would not be so effected or granted but for such consent (and the consents of the Holders that were acquired under the same or similar conditions) shall be void and of no force or effect except solely as to such Holder.

10.7 Successors and Assigns; Assignments.

(a) Successors and Assigns. This Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of the parties hereto and the successors and assigns of the Holders. No Note Party's rights or obligations hereunder nor any interest therein may be assigned or delegated by any such Person without the prior written consent of all the Holders (and any attempted assignment or transfer by any such Person without such consent shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby and, to the extent expressly contemplated hereby, Affiliates of each of Agent and the Holders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments. Any Holder may at any time sell, assign or otherwise transfer to one or more Eligible Assignees any Notes and all or any portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitments and the Notes held by it).

(c) Mechanics. The assigning Holder and the assignee thereof shall execute and deliver to Agent an Assignment Agreement, together with (i) a $3,500 processing and recordation fee payable to Agent for its own account (other than in the case of an assignment from a Holder to its Affiliate or a Related Fund) and (ii) such forms, certificates or other evidence, if any, with respect to United States federal income tax withholding matters as the assignee under such Assignment Agreement may be required to deliver to Agent pursuant to Section 2.14(e).

(d) Notice of Assignment. Upon its receipt and acceptance of a duly executed and completed Assignment Agreement, any forms, certificates or other evidence required by this Agreement in connection therewith, Agent shall record the information contained in such Assignment Agreement in the Register, shall give prompt notice thereof to the Issuer and shall maintain a copy of such Assignment Agreement.

(e) Representations and Warranties of Assignee. Each Holder upon executing and delivering an Assignment Agreement, represents and warrants as of the applicable Effective Date (as defined in the applicable Assignment Agreement) that (i) it has experience and expertise in the making of or investing in notes; and (ii) it will make or invest in, as the case may be, its Notes for its own account in the ordinary course of its business and without a view to distribution of such Notes within the meaning of the Securities Act or the Exchange Act or other federal securities laws (it being understood that, subject to the provisions of this Section 10.7(e), the disposition of Notes or any interests therein shall at all times remain within its exclusive control). In addition, each Holder becoming party hereto after the Closing Date, upon executing and delivering an Assignment Agreement, shall be deemed to have made the representations and warranties contained in Article V as of the applicable Effective Date (as defined in the applicable Assignment Agreement).

(f) Effect of Assignment. Subject to the terms and conditions of this Section 10.7(f), as of the "Effective Date" specified in the applicable Assignment Agreement and recordation in the Register: (i) the assignee thereunder shall have the rights and obligations of a "Holder" hereunder to the extent such rights and obligations hereunder have been assigned to it pursuant to such Assignment Agreement and shall thereafter be a party hereto and a "Holder" for all purposes hereof; (ii) the assigning Holder thereunder shall, to the extent that rights and obligations hereunder have been assigned thereby pursuant to such Assignment Agreement, relinquish its rights (other than any rights which survive the termination hereof under Section 10.8) and be released from its obligations hereunder (and, in the case of an Assignment Agreement covering all or the remaining portion of an assigning Holder's rights and obligations hereunder, such Holder shall cease to be a party hereto; provided, anything contained in any of the Note Documents to the contrary notwithstanding such assigning Holder shall continue to be entitled to the benefit of all indemnities hereunder as specified herein with respect to matters arising out of the prior involvement of such assigning Holder as a Holder hereunder); and (iii) if any such assignment occurs after the issuance of any Note hereunder, the assigning Holder shall, upon the effectiveness of such assignment or as promptly thereafter as practicable, surrender its applicable Note to Agent for cancellation, and thereupon the Issuer shall issue and deliver a new Note, if so requested by the assignee and/or assigning Holder, to such assignee and/or to such assigning Holder, with appropriate insertions, to reflect the outstanding principal balance under the Notes of the assignee and/or the assigning Holder. Notes shall not be transferred in denominations of less than $100,000 (unless transferred by any Holder to an Affiliate and/or a Related Fund of such Holder), provided, that if necessary to enable the registration of transfer by a Holder of its entire holding of Notes, a Note may be in a denomination of less than $100,000; provided, further, that transfers by a Holder, its Affiliates and its Related Funds shall be aggregated for purposes of determining whether or not such $100,000 threshold has been reached.

(g) Participations. Each Holder shall have the right at any time to sell one or more participations to any Person (other than a natural Person, any Note Party or any of their respective Affiliates) (each, a "**Participant**") in all or any part of such Holder's rights and/or obligations under this Agreement (including all or a portion of its Notes or any other Obligation); provided that (i) such Holder's obligations under this Agreement shall remain unchanged, (ii) such Holder shall remain solely responsible to the other parties hereto for the performance of such obligations, and (iii) the Issuer, Agent, and the Holders shall continue to deal solely and directly with such Holder in connection with such Holder's rights and obligations under this Agreement.

(h) Notwithstanding anything to the contrary set forth in this Agreement or in any other Note Document, any Holder shall be permitted to assign in its internal records or recordkeeping system a unique identifier or name to any outstanding Note that it has purchased or assumed pursuant to the terms of this Agreement (each unique group of Notes, a "**Note Grouping**") and, upon compliance with any applicable assignment requirements set forth in this Section ~~10.07~~10.7, such Holder shall be permitted to assign to its Affiliates or Related Funds one or more Note Groupings without any requirement to assign a proportionate or equal amount of any other Note.

Any agreement or instrument pursuant to which a Holder sells such a participation shall provide that such Holder shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Holder will not, without the consent of the Participant, agree to any amendment, modification or waiver described in Section 10.6 that affects such Participant. The Issuer agrees that each Participant shall be entitled to the benefits of Section 2.14 (subject to the requirements and limitations therein, including the requirements under Section 2.14(e)) (it being understood that the documentation required under Section 2.14(e) shall be delivered by the Participant to the applicable Holder) to the same extent as if it were a Holder and had acquired its interest by assignment pursuant to paragraph (c) of this Section 10.7; provided that such Participant shall not be entitled to receive any greater payment under Section 2.14 than the applicable Holder would have been entitled to receive with respect to the participation sold to such Participant, unless such greater payment results from a change in ~~Law~~law that occurs after the Participant acquired the applicable participation. To the extent permitted by law, each Participant shall be entitled to the benefits of Section 10.4 as though it were a Holder; provided that such Participant agrees to be subject to Section 10.5 as though it were a Holder. Each Holder that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Issuer, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Notes or other Obligations under the Note Documents (the "**Participant Register**"); provided that no Holder shall have any obligation to disclose all or a portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Note Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Treasury Regulation Section 5f.103-1(c), proposed Treasury Regulation Section 1.163-5 or any applicable temporary, final or other successor regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Holder shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, Agent (in its capacity as Agent) shall have no responsibility for maintaining a Participant Register.

(i) Independence of Covenants. All covenants hereunder shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, the fact that it would be permitted by an exception to, or would otherwise be within the limitations of, another covenant shall not avoid the occurrence of a Default or an Event of Default if such action is taken or condition exists.

(j) Any Holder may at any time, assign all or a portion of its rights and obligations with respect to Notes under this Agreement to a Person who is or will become, after such assignment, an Affiliated Holder subject to the following limitations:

(i) the assigning Holder and the Affiliated Holder purchasing such Holder's Notes shall execute and deliver to the Agent an assignment agreement substantially in the form of Exhibit K hereto (an "**Affiliated Holder Assignment and Assumption**");

(ii) the Affiliated Holder will not receive information provided solely to Holders by the Agent or any Holder and will not be permitted to attend or participate in conference calls or meetings attended solely by the Holders and the Agent, other than the right to receive notices of prepayments and other administrative notices in respect of its Notes required to be delivered to Holders pursuant to Article II; and

(iii) as a condition to each assignment pursuant to this clause (j), the Agent shall have been provided an Affiliated Holder Notice in the form of Exhibit L to this Agreement in connection with each assignment to an Affiliated Holder or a Person that upon effectiveness of such assignment would constitute an Affiliated Holder pursuant to which such Affiliated Holder shall waive any right to bring any action in connection with such Notes against the Agent, in its capacity as such.

Each Affiliated Holder agrees to notify the Agent promptly (and in any event within ten (10) Business Days) if it acquires any Person who is also a Holder, and each Holder agrees to notify the Agent promptly (and in any event within ten (10) Business Days) if it becomes an Affiliated Holder. Such notice shall contain the type of information required and be delivered to the same addressee as set forth in Exhibit L.

(k) Notwithstanding anything in Section 10.6 or the definition of "Requisite Holders," to the contrary, for purposes of determining whether the Requisite Holders have (i) consented (or not consented) to any amendment, modification, waiver, consent or other action with respect to any of the terms of any Note Document or any departure by any Note Party therefrom unless subject to Section 10.7(l), any plan of reorganization pursuant to the Bankruptcy Code, (ii) otherwise acted on any matter related to any Note Document or (iii) directed or required the Agent or any Holder to undertake any action (or refrain from taking any action) with respect to or under any Note Document, no Affiliated Holder shall have any right to consent (or not consent), otherwise act or direct or require the Agent or any Holder to take (or refrain from taking) any such action and (A) all Notes held by any Affiliated Holders shall be deemed to be not outstanding for all purposes of calculating whether the Requisite Holders have taken any actions and (B) all Notes held by Affiliated Holder shall be deemed to be not outstanding for all purposes of calculating whether all Holders have taken any action unless the action in question affects such Affiliated Holder in a disproportionately adverse manner than its effect on other Holders.

(l) Notwithstanding anything in this Agreement or the other Note Documents to the contrary, each Affiliated Holder hereby agrees that and each Affiliated Holder Assignment and Assumption shall provide a confirmation that, if a proceeding under any Debtor Relief Law shall be commenced by or against the Issuer or any other Note Party at a time when such Holder is an Affiliated Holder, such Affiliated Holder will vote with respect to the Notes held by such Affiliated Holder in the same manner as the Requisite Holders; provided that such Affiliated Holder shall be entitled to vote in accordance with its sole discretion in connection with any plan of reorganization to the extent any such plan of reorganization proposes to treat any Obligations held by such Affiliated Holder in a disproportionately adverse manner to such Affiliated Holder than the proposed treatment of similar Obligations held by Holders that are not Affiliated Holders.

10.8 Survival of Representations, Warranties and Agreements . All representations, warranties and agreements made herein shall survive the execution and delivery hereof and the making of any Note Purchase. Notwithstanding anything herein or implied by law to the contrary, the agreements of each Note Party set forth in Sections 2.14, 10.2, 10.3 and 10.4 and the agreements of the Holders set forth in Sections 2.13, 9.3(b) and 9.5 shall survive the payment of the Notes, and the termination hereof.

10.9 No Waiver; Remedies Cumulative . No failure or delay on the part of Agent or any Holder in the exercise of any power, right or privilege hereunder or under any other Note Document shall impair such power, right or privilege or be construed to be a waiver of any default or acquiescence therein, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other power, right or privilege. The rights, powers and remedies given to Agent and each Holder hereby are cumulative and shall be in addition to and independent of all rights, powers and remedies existing by virtue of any statute or rule of law or in any of the other Note Documents. Any forbearance or failure to exercise, and any delay in exercising, any right, power or remedy hereunder shall not impair any such right, power or remedy or be construed to be a waiver thereof, nor shall it preclude the further exercise of any such right, power or remedy.

10.10 Marshalling; Payments Set Aside . Neither Agent nor any Holder shall be under any obligation to marshal any assets in favor of any Note Party or any other Person or against or in payment of any or all of the Obligations. To the extent that any Note Party makes a payment or payments to Agent or the Holders (or to Agent, on behalf of the Holders), or Agent or the Holders enforce any security interests or exercise their rights of setoff, and such payment or payments or the proceeds of such enforcement or setoff or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, any other state or federal law, common law or any equitable cause, then, to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefor or related thereto, shall be revived and continued in full force and effect as if such payment or payments had not been made or such enforcement or setoff had not occurred.

10.11 Severability . In case any provision in or obligation hereunder or any Note or other Note Document shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

10.12 Obligations Several; Independent Nature of the Holders' Rights . The obligations of the Holders hereunder are several and no Holder shall be responsible for the obligations or Commitment of any other Holder hereunder. Nothing contained herein or in any other Note Document, and no action taken by the Holders pursuant hereto or thereto, shall be deemed to constitute the Holders as a partnership, an association, a joint venture or any other kind of entity. The amounts payable at any time hereunder to each Holder shall be a separate and independent debt, and each Holder shall be entitled to protect and enforce its rights arising out hereof and it shall not be necessary for any other Holder to be joined as an additional party in any proceeding for such purpose.

10.13 [Reserved].

10.14 Headings . Section headings herein are included herein for convenience of reference only and shall not constitute a part hereof for any other purpose or be given any substantive effect.

10.15 APPLICABLE LAW . THIS AGREEMENT SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

10.16 CONSENT TO JURISDICTION . ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST ANY NOTE PARTY ARISING OUT OF OR RELATING HERETO OR ANY OTHER NOTE DOCUMENT, OR ANY OF THE OBLIGATIONS, SHALL BE BROUGHT IN STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE, COUNTY AND CITY OF NEW YORK. BY EXECUTING AND DELIVERING THIS AGREEMENT, EACH NOTE PARTY, FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, IRREVOCABLY (A) ACCEPTS GENERALLY AND UNCONDITIONALLY THE JURISDICTION AND VENUE OF SUCH COURTS; (B) WAIVES ANY DEFENSE OF FORUM NON CONVENIENS; (C) AGREES THAT SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDING IN ANY SUCH COURT MAY BE MADE BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE APPLICABLE NOTE PARTY AT ITS ADDRESS PROVIDED IN ACCORDANCE WITH SECTION 10.1 IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER THE APPLICABLE NOTE PARTY IN ANY SUCH PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT; AND (D) AGREES THAT AGENT AND THE HOLDERS RETAIN THE RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO BRING PROCEEDINGS AGAINST ANY NOTE PARTY IN THE COURTS OF ANY OTHER JURISDICTION.

10.17 WAIVER OF JURY TRIAL . EACH OF THE PARTIES HERETO HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER OR UNDER ANY OF THE OTHER NOTE DOCUMENTS OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT OR THE HOLDER/ISSUER RELATIONSHIP THAT IS BEING ESTABLISHED. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 10.17 AND EXECUTED BY EACH OF THE PARTIES HERETO THAT IS PARTY TO SUCH JUDICIAL PROCEEDING), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO OR ANY OF THE OTHER NOTE DOCUMENTS OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THE NOTES PURCHASED HEREUNDER. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

10.18 Confidentiality . All information furnished from time to time (either before, on or after the date hereof) by or on behalf of the Issuer or any other Note Party to Agent or a Holder or any of their representatives or advisors (each, a "**Recipient**") is so furnished on a confidential basis (such information, the "**Confidential Information**") and the Recipients will maintain the confidentiality thereof in accordance with the terms hereof; provided however, that a Recipient may disclose such information (a) to its Affiliates, partners, prospective partners, members and prospective members and its and their respective directors, managers, officers, employees, attorneys, accountants, advisors, auditors, consultants, agents or representatives, in each case, on a need to know such Confidential Information (collectively "**Permitted Recipients**"), (b) to any potential assignee or transferee of any of its rights or obligations hereunder (including without limitation, in connection with a sale of any or all of the Notes) or any of their agents and advisors (provided that such potential assignee or transferee shall have been advised of and agree in writing to be bound by the provisions of this Section 10.18), (c) if such information (i) becomes publicly available other than as a result of a breach of this Section 10.18 or (ii) becomes available to a Recipient or any of its Permitted Recipients on a non- confidential basis from a source other than the Note Parties and other than any other source that such Recipient or Permitted Recipient had reason to believe is subject to confidentially obligations with respect thereto, (iii) to enable it to enforce or otherwise exercise any of its rights and remedies under any Note Document or (iv) as consented to by the Issuer. Notwithstanding anything to the contrary set forth in this Section 10.18 or otherwise, nothing herein shall prevent a Recipient or its Permitted Recipients from complying with any legal requirements (including, without limitation, pursuant to any rule, regulation, stock exchange requirement, self-regulatory body, supervisory authority, other applicable judicial or governmental order or legal process) to disclose any Confidential Information. In addition, the Recipient and its Permitted Recipients may disclose Confidential Information if so requested by a governmental, self-regulatory or supervisory authority (in which case, such Recipient or Permitted Recipient shall use commercially reasonable efforts to notify the Issuer thereof (without any liability for a failure to so notify the Issuer) to the extent lawfully permitted to do so). Each Note Party hereby acknowledges and agrees that, subject to the restrictions on disclosure of Confidential Information as provided in this Section 10.18, the Recipient and their respective Affiliates are in the business of making investments in and otherwise engaging in businesses which may or may not be in competition with the Note Parties or otherwise related to their and their Affiliates' respective business and that nothing herein shall, or shall be construed to, limit the Holders' or their Affiliates' ability to make such investments or engage in such businesses. Notwithstanding any other provision of this Section 10.18, the parties (and each employee, representative, or other agent of the parties) may disclose to any and all Persons, without limitation of any kind, the Tax treatment and any facts that may be relevant to the Tax structure of the transactions contemplated by this Agreement and the other Note Documents; provided, however, that no party (and no employee, representative, or other agent thereof) shall disclose any other information that is not relevant to an understanding of the Tax treatment and Tax structure of the transaction (including the identity of any party and any information that could lead another to determine the identity of any party), or any other information to the extent that such disclosure could reasonably result in a violation of any applicable securities law. Notwithstanding the foregoing, it is understood and agreed that Recipient and Permitted Recipients shall use the Confidential Information only for the express purposes contained herein and shall not use the Confidential Information to compete in any way with the Issuer or any other Note Party during the term of this Agreement.

10.19 Usury Savings Clause . Notwithstanding any other provision herein, the aggregate interest rate charged or agreed to be paid with respect to any of the Obligations, including all charges or fees in connection therewith deemed in the nature of interest under applicable law shall not exceed the Highest Lawful Rate. If the rate of interest (determined without regard to the preceding sentence) under this Agreement at any time exceeds the Highest Lawful Rate, the outstanding amount of the Notes purchased hereunder shall bear interest at the Highest Lawful Rate until the total amount of interest due hereunder equals the amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect. In addition, if when the Notes purchased hereunder are repaid in full the total interest due hereunder (taking into account the increase provided for above) is less than the total amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect, then to the extent permitted by law, the Issuer shall pay to Agent an amount equal to the difference between the amount of interest paid and the amount of interest which would have been paid if the Highest Lawful Rate had at all times been in effect. Notwithstanding the foregoing, it is the intention of the Holders and the Issuer to conform strictly to any applicable usury laws. Accordingly, if any Holder contracts for, charges, or receives any consideration which constitutes interest in excess of the Highest Lawful Rate, then any such excess shall be cancelled automatically and, if previously paid, shall at such Holder's option be applied to the outstanding amount of the Notes purchased hereunder or be refunded to the Issuer. In determining whether the interest contracted for, charged, or received by Agent or a Holder exceeds the Highest Lawful Rate, such Person may, to the extent permitted by applicable law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest, throughout the contemplated term of the Obligations hereunder.

10.20 Counterparts . This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. **The words "execution," "signed," "signature," and words of like import in this Agreement and the other Note Documents including any Assignment Agreement shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.**

10.21 USA Patriot Act . Each Holder and Agent (for itself and not on behalf of any Holder) hereby notifies each Note Party that pursuant to the requirements of the USA Patriot Act, it is required to obtain, verify and record information that identifies such Note Party, which information includes the name and address of such Note Party and other information that will allow such Holder or Agent, as applicable, to identify such Note Party in accordance with the USA Patriot Act.

10.22 Disclosure . Each Note Party and each Holder hereby acknowledge and agree that Agent and/or its Affiliates and their respective Related Funds from time to time may hold investments in, and make loans to, or have other relationships with any of the Note Parties and their respective Affiliates, including the ownership, purchase and sale of Equity Interest in any Note Party and their respective Affiliates and each Holder hereby expressly consents to such relationships.

10.23 Appointment for Perfection . Each Holder hereby appoints each other Holder as its agent for the purpose of perfecting Liens, for the benefit of Agent and the Holders, in assets which, in accordance with Article 9 of the UCC or any other applicable law can be perfected only by possession. Should any Holder obtain possession of any such Collateral, such Holder shall notify Agent thereof, and, promptly upon Agent's request therefor shall deliver such Collateral to Agent or otherwise deal with such Collateral in accordance with Agent's instructions.

10.24 Advertising and Publicity . No Holder shall issue or disseminate to the public (by advertisement, including without limitation any "tombstone" advertisement, press release or otherwise), submit for publication or otherwise cause or seek to publish any information describing the credit or other financial accommodations made available by the Holders pursuant to this Agreement and the other Note Documents without the prior written consent of the Issuer (such consent of the Issuer not to be unreasonably withheld, conditioned or delayed) and the Issuer shall not identify in any such public disclosure any Holder party hereto with the consent of such Holder (such consent of such Holder not to be unreasonably withheld, conditioned or delayed). Nothing in the foregoing shall be construed to prohibit (i) any Note Party from making any submission or filing which it is required to make by applicable law (including SEC filing and reporting requirements and other securities laws, rules and regulations), stock exchange rules or pursuant to judicial process; provided, that, (a) such filing or submission shall contain only such information as is necessary to comply with applicable law, rule or judicial process and (b) unless specifically prohibited by applicable law, rule or court order, the Issuer shall promptly notify Agent of the requirement to make such submission or filing and provide Agent with a copy thereof or (ii) any Holder from publicly disclosing its purchase of Notes hereunder from and after the date of public disclosure by the Issuer of its execution of this Agreement and the other Note Documents.

10.25 Acknowledgments and Admissions . The Issuer each hereby acknowledges and admits that:

(a) it has been advised by counsel in the negotiation, execution and delivery of the Note Documents;

(b) it has made an independent decision to enter into this Agreement and the other Note Documents to which it is a party, without reliance on any representation, warranty, covenant or undertaking by Agent or any Holder, whether written, oral or implicit, other than as expressly set out in this Agreement or in another Note Document delivered on or after the date hereof;

(c) there are no representations, warranties, covenants, undertakings or agreements by Agent or any Holder or any of the Placement Agents as to the Note Documents except as expressly set out in this Agreement and the other Note Documents;

(d) none of Agent or any Holder or any of the Placement Agents has any fiduciary obligation toward it with respect to any Note Document or the transactions contemplated thereby;

(e) no partnership or joint venture exists with respect to the Note Documents between any Note Party, on the one hand, and Agent or any Holder, on the other;

(f) Agent is not any Note Party's agent except as otherwise provided herein;

(g) Latham & Watkins LLP is not counsel for any Note Party;

(h) should an Event of Default or Default occur or exist, each of Agent and each Holder will determine in its discretion and for its own reasons what remedies and actions it will or will not exercise or take at that time;

(i) without limiting any of the foregoing, no Note Party is relying upon any representation or covenant by any of Agent or any Holder (including the Placement Agent), or any representative thereof, and no such representation or covenant has been made, that any of Agent or any Holder will, at the time of an Event of Default or Default, or at any other time, waive, negotiate, discuss, or take or refrain from taking any action permitted under the Note Documents with respect to any such Event of Default or Default or any other provision of the Note Documents; and

(j) Agent and the Holders have all relied upon the truthfulness of the acknowledgments in this Section 10.24 in deciding to execute and deliver this Agreement and to become obligated hereunder.

10.26 Third Party Beneficiaries . The Placement Agents are the only third party beneficiaries to this Agreement and may rely upon the representations, warranties, covenants and agreements of each of the Note Parties, their Subsidiaries and the Holders contained in Article IV, Article V, Section ~~9.03~~9.3(d) and Article X herein as a third party beneficiaries.

10.27 Entire Agreement . This Agreement, and the other Note Documents represent the final agreement among the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements among the parties.

10.28 Transferability of Securities; Restrictive Legend . Each note, certificate or other instrument evidencing the Notes issued by Issuer shall be stamped or otherwise imprinted with a legend in substantially the following forms:

> "THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS. NEITHER THIS NOTE NOR ANY INTEREST HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, REGISTRATION."

Notwithstanding the foregoing, the restrictive legend set forth above shall not be required after the date on which the securities evidenced by such note, certificate or other instrument bearing such restrictive legend no longer constitute "restricted securities" (as defined in Rule 144 promulgated under the Securities Act), and upon the request of the Holder of such Notes, Issuer, without expense to such Holder, shall issue a new note, certificate or other instrument as applicable not bearing the restrictive legend otherwise required to be borne thereby.

10.29 Replacement of Notes . Upon receipt by Issuer of evidence reasonably satisfactory to it of the ownership of and the loss, theft, destruction or mutilation of any Note, and (a) in the case of loss, theft or destruction, of indemnity reasonably satisfactory to it (provided that if the Holder of such Note is, or is a nominee for, another Holder with a minimum net worth of at least $10,000,000, such Person's own unsecured agreement of indemnity shall be deemed to be satisfactory), or (b) in the case of mutilation, upon surrender and cancellation thereof, Issuer at its own expense shall execute and deliver, in lieu thereof, a new Note of the same series, dated and, in the case of a Note, bearing interest from the date to which interest shall have been paid on such lost, stolen, destroyed or mutilated Note or dated the date of such lost, stolen, destroyed or mutilated Note if no interest shall have been paid thereon.

10.30 Acknowledgement and Consent to Bail-In of ~~EEA~~Affected Financial Institutions . Notwithstanding anything to the contrary in any Note Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any ~~EEA~~Affected Financial Institution arising under any Note Document may be subject to the Write-Down and Conversion Powers of ~~an EEA~~the applicableResolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by ~~an EEA~~the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an ~~EEA~~Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) conversion of all, or a portion of, such liability into shares or other instruments of ownership in such ~~EEA~~Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Note Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any ~~EEA~~the applicable Resolution Authority.

10.31 **Acknowledgement Regarding Any Supported QFCs.To the extent that the Note Documents provide support, through a guarantee or otherwise, for Swap Agreements or any other agreement or instrument that is a QFC (such support "QFC Credit Support" and each such QFC a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Note Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):**

In the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Note Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Note Documents were governed by the laws of the United States or a state of the United States.

10.32. Credit Bidding. The Secured Parties hereby irrevocably authorize the Agent, at the direction of the Requisite Holders, to credit bid all or any portion of the Obligations (including by accepting some or all of the Collateral in satisfaction of some or all of the Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (a) at any sale thereof conducted under the provisions of the Bankruptcy Code, including under Sections 363, 1123 or 1129 of the Bankruptcy Code, or any similar laws in any other jurisdictions to which a Note Party is subject, or (b) at any other sale, foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Agent at the direction of the Requisite Holders (whether by judicial action or otherwise) in accordance with any applicable law. In connection with any such credit bid and purchase, the Obligations owed to the Secured Parties shall be entitled to be, and shall be, credit bid by the Agent at the direction of the Requisite Holders on a ratable basis (with Indebtedness with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that shall vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) for the asset or assets so purchased (or for the equity interests or debt instruments of the acquisition vehicle or vehicles that are issued in connection with such purchase). In connection with any such bid, (i) the Agent (at the direction of the Requisite Holders) shall be authorized (but not obligated) to form one or more acquisition vehicles and to assign any successful credit bid to such acquisition vehicle or vehicles, (ii) each of the Secured Parties' ratable interests in the Obligations which were credit bid shall be deemed without any further action under this Agreement to be assigned to such vehicle or vehicles for the purpose of closing such sale, (iii) the Agent shall be authorized to adopt documents providing for the governance of the acquisition vehicle or vehicles (*provided* that any actions by the Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or equity interests thereof, shall be governed, directly or indirectly, by, and the governing documents shall provide for, control by the vote of the Requisite Holders or their permitted assignees under the terms of this Agreement or the governing documents of the applicable acquisition vehicle or vehicles, as the case may be, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Requisite Holders contained in Section 10.6 of this Agreement), (iv) the Agent on behalf of such acquisition vehicle or vehicles shall be authorized to issue to each of the Secured Parties, ratably on account of the relevant Obligations which were credit bid, interests, whether as equity, partnership interests, limited partnership interests or membership interests, in any such acquisition vehicle and/or debt instruments issued by such acquisition vehicle, all without the need for any Secured Party or acquisition vehicle to take any further action, and (v) to the extent that Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason (as a result of another bid being higher or better, because the amount of Obligations assigned to the acquisition vehicle exceeds the amount of Obligations credit bid by the acquisition vehicle or otherwise), such Obligations shall automatically be reassigned to the Secured Parties pro rata with their original interest in such Obligations and the equity interests and/or debt instruments issued by any acquisition vehicle on account of such Obligations shall automatically be cancelled, without the need for any Secured Party or any acquisition vehicle to take any further action. Notwithstanding that the ratable portion of the Obligations of each Secured Party is deemed assigned to the acquisition vehicle or vehicles as set forth in clause (ii) above, each Secured Party shall execute such documents and provide such information regarding the Secured Party (and/or any designee of the Secured Party which will receive interests in or debt instruments issued by such acquisition vehicle) as is necessary or that the Agent may reasonably request in connection with the formation of any acquisition vehicle, the formulation or submission of any credit bid or the consummation of the transactions contemplated by such credit bid. For the avoidance of doubt, the Agent shall have no obligation to form any acquisition vehicle or other entity unless approved by the Agent in its sole discretion.

[Signature Pages Follow]

EXHIBIT 99.1

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SUITE 850
HOUSTON, TX 77024
WWW.SBOW.COM

COMPANY CONTACT:
Jeff Magids
Director of Finance & Investor Relation
(281) 874-2700, (888) 991-SBOW

FOR IMMEDIATE RELEASE

SilverBow Resources Announces Increased Borrowing Base and Maturity Extension of Second Lien Notes

Houston, TX – November 15, 2021 – SilverBow Resources, Inc. (NYSE: SBOW) ("SilverBow" or "the Company") today announced it has entered into an amendment to its senior secured revolving credit facility ("Credit Facility") under which the borrowing base has been increased from $300 million to $460 million in connection with its regularly scheduled semi-annual redetermination and in conjunction with closing its previously announced acquisition on October 11, 2021. Concurrently, the Company has also entered into an amendment to its Second Lien Notes Purchase Agreement ("Second Lien Facility") which extends the maturity date from December 2024 to December 2026 subject to paying down the principal amount of the Second Lien Facility from $200 million to $150 million. The Company intends to make the $50 million payment later this month.

MANAGEMENT COMMENTS

Sean Woolverton, SilverBow's Chief Executive Officer, commented, "I would like to thank our bank syndicate for their support as we continue to execute on our key objectives. The 50% increase to our borrowing base reflects the value SilverBow has added through the drillbit, our previously announced acquisitions and improved commodity prices. Our liquidity is now at the highest level it has been since early 2018."

Mr. Woolverton commented further, "SilverBow is well positioned to play offense as we evaluate strategic M&A and further develop our Eagle Ford and Austin Chalk assets. The Company's enhanced liquidity broadens our opportunity set, as evidenced by the maturity extension and redemption optionality of our Second Lien Facility. By extending the maturity runway to late 2026, we can be thoughtful on adding accretive assets to the portfolio, generating free cash flow and further enhancing shareholder value."

LIQUIDITY UPDATE

As of October 31, 2021, the Company had $2.6 million in cash and $199 million of outstanding borrowings under its Credit Facility. Adjusted for the increase to the borrowing base to $460 million, the Company had $261 million of undrawn capacity and $2.6 million in cash, resulting in $264 million of liquidity. This is not inclusive of the aforementioned $50 million paydown of the Second Lien Facility.

ABOUT SILVERBOW RESOURCES, INC.

SilverBow Resources, Inc. (NYSE: SBOW) is a Houston-based energy company actively engaged in the exploration, development, and production of oil and gas in the Eagle Ford Shale and Austin Chalk in South Texas. With over 30 years of history operating in South Texas, the Company possesses a significant understanding of regional reservoirs which it leverages to assemble high quality drilling inventory while continuously enhancing its operations to maximize returns on capital invested. For more information, please visit www.sbow.com. Information on the Company's website is not part of this release.

FORWARD-LOOKING STATEMENTS

This release includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements represent management's expectations or beliefs concerning future events, and it is possible that the results described in this release will not be achieved. These forward-looking statements are based on current expectations and assumptions and are subject to a number of risks and uncertainties, many of which are beyond our control. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, risks and uncertainties discussed in the Company's reports filed with the Securities and Exchange Commission. All forward-looking statements speak only as of the date of this news release. You should not place undue reliance on these forward-looking statements.