CREDIT AGREEMENT

SOUTHERN ENERGY CORPORATION,
as Borrower

and

INVICO DIVERSIFIED INCOME LIMITED PARTNERSHIP,
as Lender

$8,500,000.00

April 30, 2021

CREDIT AGREEMENT

THIS CREDIT AGREEMENT is made as of April 30, 2021, by and between SOUTHERN ENERGY CORPORATION, a Delaware corporation (the "Borrower"), SOUTHERN ENERGY CORP., a corporation formed under the laws of the Province of Alberta, Canada (the "Parent"), and INVICO DIVERSIFIED INCOME LIMITED PARTNERSHIP, a limited partnership formed under the laws of the Province of Alberta, Canada (the "Lender").

W I T N E S S E T H:

A. The Borrower wishes to obtain from the Lender loans in the aggregate principal amount of up to $8,500,000 to refinance the existing loan from [redacted] (the "Existing Indebtedness") and for select development activities and general corporate purposes, pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and of the loans, extensions of credit, and commitments hereinafter referred to, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows.

ARTICLE I - Definitions and References

Section 1.1. Defined Terms. As used in this Agreement, each of the following terms has the meaning given to such term in this Section 1.1 or in the sections and subsections referred to below:

"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.

"Agreement" means this Credit Agreement.

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

"Applicable Securities Legislation" means all applicable securities laws of each of the Reporting Jurisdictions and the respective rules and regulations under such laws together with applicable published fee schedules, prescribed forms, policy statements, national or multilateral instruments, orders, blanket rulings and other applicable regulatory instruments of the securities regulatory authorities in any of the Reporting Jurisdictions and such other jurisdictions as may be agreed to between the Parent and the Lender.

"Approved Counterparty" means a counterparty to a Hedging Contract that either (a) is a Lender Counterparty or (b) is a Person whose senior unsecured long-term debt obligations, at the time such Person enters into such Hedging Contract, are rated A- or higher by S & P and A3 or higher by Moody's.

"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 Financial Institution.

"Bail-In Legislation" means, 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 for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"Bankruptcy Code" means the United States Bankruptcy Code, Title 11 U.S.C.

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

"Borrower" has the meaning given to such term in the preamble to this Agreement.

"Borrowing" means a borrowing of a new Loan(s).

"Borrowing Notice" means a written request or confirmation, made by the Borrower that meets the requirements of Section 2.3.

"Business Day" means a day, other than a Saturday or Sunday, on which commercial banks are open for business with the public in Houston, Texas.

"Capital Lease" means a lease with respect to which the lessee is required concurrently to recognize the acquisition of an asset and the incurrence of a liability in accordance with GAAP or IFRS (as applicable).

"Capital Lease Obligation" means, with respect to any Person and a Capital Lease, the amount of the obligation of such Person as the lessee under such Capital Lease that should, in accordance with GAAP or IFRS (as applicable), appear as a liability on the balance sheet of such Person.

"Cash Equivalents" means Investments in:

(a) marketable obligations, maturing within 12 months after acquisition thereof, issued or unconditionally guaranteed by the United States or an instrumentality or agency thereof and entitled to the full faith and credit of the United States;

(b) demand deposits, and time deposits (including certificates of deposit) maturing within 12 months from the date of deposit thereof, (i) with any office of any Lender or (ii) with a domestic office of any national or state bank or trust company that is organized under the Laws of the United States or any state therein, that has capital, surplus, and undivided profits of at least

$50,000,000, and whose long term certificates of deposit are rated at least Aa3 by Moody's or AA- by S & P;

(c) repurchase obligations with a term of not more than 7 days for underlying securities of the types described in clause (a) above entered into with any commercial bank meeting the specifications of clause (b) above;

(d) open market commercial paper, maturing within 270 days after acquisition thereof, that is rated at least P-1 by Moody's or A-1 by S & P; and

(e) money market or other mutual funds substantially all of whose assets comprise securities of the types described in clauses (a) through (d) above.

"Change in Law" means the adoption or taking effect of, or any change in, any Law, or any change in the interpretation, implementation, administration, or application of any Law by any Governmental Authority, central bank, or comparable agency charged with the interpretation, implementation, administration, or application thereof, or compliance by any Lender with any request, guideline, or directive (whether or not having the force of law) of any such authority, central bank, or comparable agency, in each case, occurring after the Closing Date; provided, however, that notwithstanding anything herein to the contrary, the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, or directives thereunder or issued in connection therewith and all requests, rules, guidelines, 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 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, or issued.

"Change of Control" means the occurrence of any of the following events:

(a) the Borrower shall cease (i) to be the owner (which ownership may be either direct or indirect) of all of the Equity in each Guarantor other than the Parent or (ii) to Control each Guarantor other than the Parent, except in each case pursuant to a transaction permitted by Section 5.4 in which a Guarantor ceases to exist; or

(b) a majority of the board of directors of the Parent ceases to be composed of individuals (i) who were members of such board on the Closing Date, (ii) whose election or nomination to such board was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of such board, or (iii) whose election or nomination to such board was approved by individuals referred to in clause (i) or (ii) above constituting at the time of such election or nomination at least a majority of such board; or

(c) The Parent shall, at any time, fail to be the sole stockholder of the Borrower.

"Closing Date" means the date on which all of the conditions precedent set forth in Section 7.1 shall have been satisfied or waived.

"Collateral" means any property of any kind that is subject to a Lien in favor of the Lender or that, under the terms of any Security Document, is purported to be subject to such a Lien, in each case that secures all or any part of the Obligations.

"Collateral Value" means, with respect to any Oil and Gas Property or Hedging Contract of a Restricted Person, the value, if any, that the Lender attributes to such Oil and Gas Property or such Hedging Contract, pursuant to Section 2.8.

"Commitment" means, for the Lender, the obligation of the Lender to make Loans to the Borrower in an aggregate amount not exceeding Maximum Credit Amount or as set forth in any assignment and assumption relating to any assignment that has become effective pursuant to Section 11.4.

"Commitment Period" means the period from and including the Closing Date until December 31, 2021.

"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, or any rule, regulation, or order of the U.S. Commodity Futures Trading Commission (or the application or official interpretation of any thereof).

"Compliance Certificate" means a certificate in substantially the form of Exhibit C.

"Consolidated" refers to the consolidation of any Person, in accordance with GAAP or IFRS as applicable, with its consolidated subsidiaries. References herein to a Person's Consolidated financial statements, financial position, financial condition, liabilities, etc. refer to the consolidated financial statements, financial position, financial condition, liabilities, etc. of such Person and its consolidated subsidiaries.

"Consolidated Adjusted EBITDAX" means, for any period of determination, Consolidated EBITDAX for such period adjusted to give effect to any acquisition or divestiture made by the Borrower or any of its Consolidated Restricted Subsidiaries during such period as if such transactions had occurred on the first day of such period, regardless of whether the effect is positive or negative.

"Consolidated EBITDAX" means, for any period (without duplication), (a) the sum of (i) Consolidated Net Income during such period, and (ii) all interest paid or accrued during such period on Indebtedness (including amortization of original issue discount and the interest component of any deferred payment obligations and Capital Lease Obligations) that was deducted in determining such Consolidated Net Income, and (iii) all income taxes that were deducted in determining such Consolidated Net Income, and (iv) all cost depreciation, amortization (including amortization of goodwill and debt issue costs), depletion, non-cash exploration expense, non-cash expenses on account of Indebtedness, and other non-cash charges on account of Oil and Gas Properties (including any provision for the reduction in the carrying value of assets recorded in accordance with GAAP or IFRS, as applicable, and including those resulting from the requirements of IFRS 9, IAS 37, or IAS 16) that were deducted in determining such Consolidated Net Income, and minus all non-cash income on account of Indebtedness.

"Consolidated Net Income" means consolidated net income determined in accordance with IFRS.

"Consolidated Restricted Subsidiaries" means any Restricted Subsidiaries that are Consolidated Subsidiaries.

"Consolidated Subsidiaries" means any Subsidiaries of the Borrower (whether now existing or hereafter acquired or created) the financial statements of which shall be (or should have been) consolidated with the financial statements of the Borrower in accordance with GAAP or IFRS, as applicable.

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

"Credit Parties" means collectively, the Borrower and the Guarantors, and "Credit Party" means any one of them.

"Debtor Relief Laws" means the Bankruptcy Code, 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.

"Default" means any Event of Default and any default, event, or condition that would, with the giving of any requisite notices or the passage of any requisite periods of time, or both, constitute an Event of Default.

"Default Rate" means, at the time in question, with respect to any Loan, the rate per annum equal to [redacted] above the Interest Rate otherwise applicable to such Loan; provided that, in each case, no Default Rate charged by any Person shall ever exceed the Highest Lawful Rate.

"Default Reserve" means the amount held by Lender as security pursuant to the provisions of Section 2.7.

"Deposit Account Control Agreement" means an agreement in form and substance reasonably satisfactory to the Lender establishing the Lender's "control" of a Deposit Account as contemplated by Section 9-104 of the UCC.

"Deposit Accounts" means, collectively, (a) all of the "deposit accounts" (as such term is defined in the UCC) of the Restricted Persons, and in any event shall include all of the accounts and sub-accounts relating to any of the foregoing accounts, and (b) all of the cash, funds, checks, notes, and instruments from time to time on deposit in any of the accounts or sub-accounts described in clause (a) of this definition.

"Determination Date" has the meaning given to such term in Section 2.8(b).

"Disclosure Record" means all documents and other information publicly filed under the profile of the Parent on the System for Electronic Document Analysis Retrieval (SEDAR) and all other documents required to be publicly filed by the Parent with the Exchange and all securities regulatory authorities in each Reporting Jurisdiction during the 24 months preceding the date hereof.

"Disclosure Schedule" means Schedule 1 hereto.

"Disposition" or "Dispose" means the sale, transfer, license, lease, or other disposition (including any sale and leaseback transaction) of any property by any Person (or the granting of any option or other right to do any of the foregoing), including any sale, assignment, transfer, or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith and any assignment, novation, termination, or close out of any Hedging Contract.

"Disqualified Capital Stock" means any Equity in a Person 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 in such Person (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 in such Person (which would not constitute Disqualified Capital Stock) at the option of the holder thereof, in whole or in part (but if in part only with respect to such amount that meets the criteria set forth in this definition), on or prior to the date that is one year after the Maturity Date.

"Distribution" means (a) any dividend, distribution, or other payment made by a Restricted Person on or in respect of any Equity in such Restricted Person, or (b) any payment made by a Restricted Person to purchase, redeem, acquire, retire, cancel, or terminate any Equity in such Restricted Person.

"Dollar" and "$" mean lawful money of the United States.

"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 clause (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 (including, for the avoidance of doubt, the United Kingdom), 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.

"Engineering Report" means the Initial Engineering Report and each engineering report delivered pursuant to Section 4.2.

"Engineering Report Certificate" has the meaning given to such term in Section 4.2(i).

"Environmental Laws" means any and all Laws relating to the environment or to emissions, discharges, releases, or threatened releases of pollutants, contaminants, chemicals, or industrial, toxic, or hazardous substances or wastes into the environment including ambient air, surface water, ground water, or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of pollutants, contaminants, chemicals, or industrial, toxic, or hazardous substances or wastes.

"Equity" in any Person means any share of capital stock issued by such Person, any general or limited partnership interest, profits interest, capital interest, membership interest, or other equity interest in such Person, any option, warrant, or any other right to acquire any share of capital stock or any partnership, profits, capital, membership, or other equity interest in such Person, and any other voting security issued by such Person.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and any successor statutes or statute, together with all of the rules and regulations promulgated with respect thereto.

"ERISA Affiliate" means each Restricted Person and all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control that, together with such Restricted Person, are (or were at any time in the past six years) treated as a single employer under Section 414 of the Internal Revenue Code.

"ERISA 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 Internal Revenue Code and maintained, contributed to, or required to be contributed to by any ERISA Affiliate and with respect to which any Restricted Person has a fixed or contingent liability.

"ERISA Plan Funding Rules" means the rules in the Internal Revenue Code and ERISA (and related regulations and other guidance) regarding minimum funding standards and minimum required contributions to ERISA Plans as set forth in Sections 412, 430, and 436 of the Internal Revenue Code and Sections 302 and 303 of ERISA (and as set forth in Section 412 of the Internal Revenue Code and Section 302 of ERISA for periods prior to the effective date of the Pension Protection Act of 2006).

"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 given to such term in Section 8.1.

"Exchange" means the TSX Venture Exchange, and each successor thereto.

"Excluded Account" means any Deposit Account or Securities Account of a Restricted Person (a) for which the Lender is the depositary bank or the securities intermediary, as applicable, or (b) that is specially and exclusively used for payroll, payroll taxes, and other employee wage and benefit payments to or for the benefit of such Restricted Person's salaried employees.

"Excluded Equity Interest" means any Equity in any Person that is not a Restricted Person, including, for the avoidance of doubt, any Equity in any Unrestricted Subsidiary.

"Excluded Swap Obligation" means: (a) with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the guarantee of such Guarantor of, or the grant by such Guarantor of a Lien to secure, or the provision by such Guarantor of other support of, 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), and (b) with respect to the Borrower, any Swap Obligation of any other Restricted Person if, and to the extent that, all or a portion of the joint and several liability of the Borrower with respect to, or the grant by the Borrower of a Lien to secure, such Swap Obligation 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 (in the case of clause (a)) or the Borrower's (in the case of clause (b)) failure for any reason to constitute an "eligible contract participant," as defined in the Commodity Exchange Act and the regulations thereunder, at the time the guarantee of such Guarantor, or provision of such credit support by such Guarantor, joint and several liability of the Borrower, or grant of such Lien by such Guarantor or the Borrower, as applicable, becomes or would become effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one Swap Obligation, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to Swap Obligations for which such guarantee or Lien or credit support or joint and several liability, as applicable, is or becomes illegal.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to the Lender or required to be withheld or deducted from a payment to the Lender: (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 the Lender being organized under the laws of, or having its principal office or lending office located in the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes; (b) United States federal withholding Taxes imposed on amounts payable to or for the account of the 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 or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.11, amounts with respect to such Taxes were payable either to the Lender's assignor immediately before such Lender became a party hereto or to the Lender immediately before it changed its lending office; (c) Taxes attributable to the Lender's failure to comply with Section 2.11(g); and (d) any United States federal withholding Taxes imposed under FATCA.

"Existing Indebtedness" has the meaning given to such term in the recitals to this Agreement.

"Facility Usage" means, at the time in question, the aggregate principal amount of the outstanding Loans at such time.

"FATCA" means Sections 1471 through 1474 of the Internal Revenue Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not

materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Internal Revenue Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any applicable intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Internal Revenue Code.

"Fee Letter" means the fee letter dated as of the Closing Date by and between the Borrower and the Lender, as amended, restated, supplemented, or otherwise modified from time to time.

"Fiscal Quarter" means a 3-month period ending on March 31, June 30, September 30, or December 31 of any year.

"Fiscal Year" means a 12-month period ending on December 31 of any year.

"Floor Contracts" means put option contracts that protect against falling crude oil and natural gas prices and do not require any payments in respect thereof other than an initial premium or purchase price (which initial premium or purchase price may be paid in installments not to exceed the term of such contract). For the avoidance of doubt, "Floor Contracts" do not include swaps or collars.

"Foreign Lender" means a Lender that is not a U.S. Person.

"Foreign Subsidiary" means any Restricted Subsidiary that is not organized under the laws of the U.S. or any state thereof or the District of Columbia.

"Free Cash Flow" means the Consolidated EBITDAX of the Borrower for any period, minus the aggregate principal and interest payments on all of the Loans for such period.

"Free Cash Flow Payment" has the meaning given to such term in Section 2.5(e).

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

"GAAP" means those generally accepted accounting principles and practices that are recognized as such by the Financial Accounting Standards Board (or any generally recognized successor) and that, in the case of the Restricted Persons and their Consolidated Restricted Subsidiaries, are applied for all periods after the Closing Date in a manner consistent with the manner in which such principles and practices were applied by the Restricted Persons on and as of the Closing Date. If any change in any accounting principle or practice is required by the Financial Accounting Standards Board (or any such successor) in order for such principle or practice to continue as a generally accepted accounting principle or practice, all reports and financial statements required hereunder with respect to any Restricted Person or with respect to any Restricted Person and its Consolidated Restricted Subsidiaries may be prepared in accordance with such change, but all calculations and determinations to be made hereunder may be made in accordance with such change only after notice of such change is given to the Lender, and the Lender and the Borrower agree to negotiate in good faith in respect of the modification of any covenants hereunder that are affected by such change in order to cause them to measure

substantially the same financial performance as the covenants in effect immediately prior to such change.

"Governmental Authority" means the government of the United States or any State thereof or any other nation, or of 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" shall mean any law, statute, code, ordinance, order, determination, rule, regulation, judgment, decree, injunction, franchise, permit, certificate, license, authorization, or other directive or requirement, including, without limitation, Environmental Laws, energy regulations, and occupational, safety, and health standards or controls, of any Governmental Authority.

"Guarantee Obligation" means, as to any Person (the "guaranteeing person"), any obligation, including a reimbursement, counterindemnity, or similar obligation, of the guaranteeing person that guarantees or in effect guarantees, or which is given to induce the creation of a separate obligation by another Person (including any bank under any letter of credit) that guarantees or in effect guarantees, any Indebtedness, leases, dividends, or other obligations (the "primary obligations") of any other third Person (the "primary obligor") in any manner, whether directly or indirectly, including any obligation of the guaranteeing person, whether or not contingent, (a) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (b) to advance or supply funds (i) for the purchase or payment of any such primary obligation or (ii) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (c) to purchase property, securities, or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation, or (d) otherwise to assure or hold harmless the owner of any such primary obligation against loss in respect thereof; provided, however, that the term Guarantee Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. For the avoidance of doubt, for purposes of determining any Guarantee Obligations of any Guarantor pursuant to the Security Documents, the definition of "Hedging Contract" or "Swap Agreement" shall not create any guarantee by any Guarantor of (or grant of any Lien by any Guarantor to support, if applicable) any Excluded Swap Obligation of such Guarantor.

"Guarantor" means the Parent, and each Restricted Subsidiary, including but not limited to Southern Energy BWB, LLC, Southern Energy CMS, LLC, Southern Energy SO, LLC, Southern Energy Operating, LLC, and Southern Energy LA, LLC, who has guaranteed some or all of the Secured Obligations or any other Person who has guaranteed some or all of the Secured Obligations pursuant to Section 4.14.

"Hazardous Materials" means any substances regulated under any Environmental Law, whether as pollutants, contaminants, or chemicals, or as industrial, toxic, or hazardous substances or wastes, or otherwise.

"Hedging Contract" means (a) any agreement providing for options, swaps, floors, caps, collars, forward sales, or forward purchases involving interest rates, commodities or commodity prices, equities, currencies, bonds, or indexes based on any of the foregoing, (b) any option, futures, or forward contract traded on an exchange, and (c) any other derivative agreement or other similar agreement or arrangement.

"Highest Lawful Rate" means, the maximum non-usurious rate of interest that the Lender is permitted under applicable Law to contract for, take, charge, or receive with respect to such Obligations.

"Hydrocarbons" means crude oil, natural gas, casinghead gas, drip gasoline, natural gasoline, condensate, distillate, or other liquid or gaseous hydrocarbons and all of the products refined or separated therefrom.

"IFRS" means International Financing Reporting Standards, as adopted by the International Accounting Standards Board and as in effect from time to time, together with its pronouncements thereon from time to time, and applied on a consistent basis.

"Indebtedness" of any Person means Liabilities in any of the following categories (without duplication):

(a) Liabilities for borrowed money;

(b) Liabilities constituting an obligation to pay the deferred purchase price of property or services;

(c) Liabilities evidenced by a bond, debenture, note, or similar instrument;

(d) Liabilities that (i) would under GAAP or IFRS (as applicable) be shown on such Person's balance sheet as a liability and (ii) are payable more than one year from the date of creation or incurrence thereof (other than reserves for taxes and reserves for contingent obligations);

(e) Liabilities arising under Hedging Contracts (on a net basis to the extent netting is provided for in such Hedging Contract);

(f) Liabilities constituting principal under Capital Lease Obligations;

(g) Liabilities arising under conditional sales or other title retention agreements;

(h) Liabilities owing under direct or indirect guaranties of Indebtedness of any other Person or otherwise constituting obligations to purchase or acquire or to otherwise protect or insure a creditor against loss in respect of Indebtedness of any other Person (such as obligations under working capital maintenance agreements, agreements to keep-well, or agreements to purchase Indebtedness, assets, goods, securities, or services), but excluding endorsements in the ordinary course of business of negotiable instruments in the course of collection;

(i) Liabilities with respect to Disqualified Capital Stock;

(j) Liabilities with respect to letters of credit or applications or reimbursement agreements therefor;

(k) Liabilities with respect to banker's acceptances;

(l) Liabilities (i) to pay for goods or services even if such goods or services are not actually received or utilized or (ii) with respect to advance payments received in consideration of oil, gas, or other minerals yet to be acquired or produced at the time of payment (including obligations under "take-or-pay" contracts to deliver gas in return for payments already received and the undischarged balance of any production payment created by such Person or for the creation of which such Person directly or indirectly received payment); or

(m) Liabilities with respect to other obligations to deliver goods or services in consideration of advance payments therefor;

provided, however, that the "Indebtedness" of any Person shall not include Liabilities that were incurred by such Person (i) on ordinary trade terms to vendors, suppliers, or other Persons providing goods and services for use by such Person in the ordinary course of its business, unless and until such Liabilities are outstanding more than 90 days past the original invoice or billing date therefor, or (ii) in connection with gas balancing arrangements in the ordinary course of business.

"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 the Borrower under any Loan Document and (b) to the extent not otherwise described in clause (a) of this definition, Other Taxes.

"Independent Engineers" means (a) Netherland Sewell and Associates, Inc. and (b) any other nationally recognized independent petroleum engineering company that is designated by the Borrower with the consent of the Lender.

"Initial Engineering Report" means the reserve engineering report with respect to the Oil and Gas Properties of the Restricted Persons prepared as of December 31, 2020, by the Independent Engineers, a copy of which report has been delivered to the Lender.

"Initial Financial Statements" means (a) the Parent's draft audited consolidated financial statements as of and for the Fiscal Year ended December 31, 2020, and (b) the Parent's draft consolidated financial statements as of and for the Fiscal Quarter ended March 31, 2021 in form and content acceptable to the Lender, acting reasonably.

"Insolvent" means, with respect to any Person, that (a) such Person is insolvent (as such term is defined in the Bankruptcy Code, and with all of the terms used in this definition that are defined in the Bankruptcy Code having the meanings ascribed to those terms in the text and interpretive case law applicable to the Bankruptcy Code), (b) the sum of such Person's debts, including absolute and contingent liabilities, the Obligations or guarantees thereof, exceeds the value of such Person's assets, at a fair valuation, (c) such Person's capital is unreasonably small for the business in which such Person is engaged and intends to be engaged, or (d) such Person has incurred (whether under the Loan Documents or otherwise), or intends to incur, debts that will be beyond its ability to pay as such debts mature. In determining whether a Person is "Insolvent,"

all rights of contribution of each Restricted Person against the other Restricted Persons under the guaranty of the Obligations, at law, in equity, or otherwise shall be taken into account.

"Internal Revenue Code" means the United States Internal Revenue Code of 1986, as amended from time to time and any successor statute or statutes, together with all rules and regulations promulgated with respect thereto.

"Interest Rate" means a fixed annual rate of [redacted]

"Investment" means any investment, made directly or indirectly, in any Person, whether by purchase or acquisition of Equity, Indebtedness or other obligations or securities or by extension of credit, loan, advance, capital contribution or otherwise and whether made in cash, by the transfer of property, or by any other means.

"IRS" means the United States Internal Revenue Service.

"Law" means any statute, law, regulation, ordinance, rule, treaty, judgment, order, decree, permit, concession, franchise, license, agreement, or other governmental restriction of the United States or any state or political subdivision thereof or of any foreign country or any department, province, or other political subdivision thereof. Any reference to a Law includes any amendment or modification to such Law, and all of the regulations, rulings, and other Laws promulgated under such Law.

"Liabilities" means, as to any Person, all of the indebtedness, liabilities, and obligations of such Person, whether matured or unmatured, liquidated or unliquidated, primary or secondary, direct or indirect, absolute, fixed, or contingent, and whether or not required to be considered pursuant to GAAP or IFRS.

"Lien" means, with respect to any property or assets, any right or interest therein of a creditor to secure Liabilities owed to it or any other arrangement with such creditor that provides for the payment of such Liabilities out of such property or assets or that allows such creditor to have such Liabilities satisfied out of such property or assets prior to the general creditors of any owner thereof, including any lien, mortgage, security interest, pledge, deposit, production payment, rights of a vendor under any title retention or conditional sale agreement or lease substantially equivalent thereto, tax lien, mechanic's or materialman's lien, or any other charge or encumbrance for security purposes, whether arising by Law or agreement or otherwise, but excluding any right of offset that arises without agreement in the ordinary course of business. "Lien" also means any properly filed financing statement, any registration of a pledge (such as with an issuer of uncertificated securities), or any other arrangement or action with a Restricted Person's authorization that would serve to perfect a Lien described in the preceding sentence, regardless of whether such financing statement is filed, such registration is made, or such arrangement or action is undertaken before or after such Lien exists.

"Loan Documents" means this Agreement, the Notes, the Fee Letter, the Security Documents, and all of the other agreements, certificates, documents, instruments, and writings at any time delivered on or after the Closing Date in connection herewith or therewith (exclusive of term sheets and commitment letters).

"Loan Payment Date" means (a) as to any Loan, the last Business Day of each calendar month, or (b) the Maturity Date.

"Loans" has the meaning given to such term in Section 2.1.

"Management Services Agreement" means the Management Services Agreement, dated as of December 19, 2018, by and between the Parent and the Borrower.

"Material Adverse Change" means a material and adverse change to (a) the Borrower's Consolidated financial condition, (b) the Borrower's Consolidated business, assets, operations, or properties, or prospects, considered as a whole, (c) the Borrower's ability to timely pay the Obligations or any Restricted Person's ability to perform its obligations under any Loan Document to which it is a party, or (d) the legality, validity, binding effect, or enforceability of any Loan Document against any Restricted Person.

"Material Contract" means any contract or other agreement to which any Restricted Person is a party (other than the Loan Documents) for which breach, nonperformance, cancellation, or failure to renew could reasonably be expected to cause a Material Adverse Change, excluding contracts and oil and gas leases that are specifically listed on an exhibit or schedule to any Security Document.

"Maturity Date" means the third anniversary of the Closing Date.

"Maximum Credit Amount" means $8,500,000.00.

"Minimum Title Amount" means Proved Developed Producing Oil and Gas Properties to which are attributed at least eighty percent (80%) of the Present Value of the Proved Developed Producing Reserves that are attributable to all of the Oil and Gas Properties.

"Moody's" means Moody's Investors Service, Inc., or its successor.

"Mortgage" means any deed of trust and/or mortgage now, heretofore, or hereafter delivered by any Restricted Person to the Lender in connection with this Agreement or any transaction contemplated hereby to secure the payment of any part of the Obligations.

"Multiemployer Plan" means any plan described in Section 4001(a)(3) of ERISA.

"Note" has the meaning given to such term in Section 2.1.

"Obligations" means all of the Liabilities from time to time owing by any Credit Party to the Lender under or pursuant to any of the Loan Documents. "Obligation" means any part of the Obligations.

"Observer" has the meaning given to such term in Section 4.28.

"OFAC" means the U.S. Treasury Department's Office of Foreign Assets Control.

"Oil and Gas Properties" means (a) all oil, gas, and/or mineral leases, oil, gas, or mineral properties, mineral servitudes, and/or mineral rights of any kind (including mineral fee interests, lease interests, farmout interests, overriding royalty and royalty interests, net profits interests, oil payment interests, production payment interests, and other types of mineral interests), (b) all oil and gas gathering, treating, storage, processing, and handling assets, (c) all pipelines, and (d) all platforms, wells, wellhead equipment, pumping units, flowlines, tanks, buildings, injection facilities, saltwater disposal facilities, compression facilities, gathering systems, and other equipment. Unless otherwise expressly provided herein, all of the references in this Agreement to "Oil and Gas Properties" refer to Oil and Gas Properties owned by the Restricted Persons, as the context requires.

"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 any non-U.S. jurisdiction), (b) with respect to any limited liability company, the certificate or articles of formation or organization and limited liability company agreement or 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 Lender, Taxes imposed as a result of a present or former connection between the Lender and the jurisdiction imposing such Tax (other than connections arising from the Lender 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.

"Parent" has the meaning given to such term in the preamble to this Agreement.

"Participant" has the meaning given to such term in Section 11.4(d).

"Participant Register" has the meaning given to such term in Section 11.4(d).

"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), which was signed into law October 26, 2001.

"Payment in Full" will occur upon (a) the termination or expiration of the Commitments, and (b) payment in full of all of the Obligations (other than contingent indemnification obligations and other contingent obligations not then due and payable).

"PBGC" means the Pension Benefit Guaranty Corporation.

"Permitted Investments" means:

(a) Cash Equivalents;

(b) Investments disclosed to the Lender in Section 1.1 of the Disclosure Schedule;

(c) Investments consisting of Hedging Contracts permitted under Section 5.3;

(d) normal and prudent extensions of credit by any Restricted Person to its customers for buying goods and services in the ordinary course of business or to any other Restricted Person in the ordinary course of business, which extensions shall not be for longer periods than those extended by similar businesses operated in a normal and prudent manner;

(e) Investments in or to the Borrower and in or to Restricted Subsidiaries that are Guarantors (including any Person that becomes a Restricted Subsidiary as a result of such Investment, so long as such Person becomes a Guarantor and otherwise complies with Section 4.14 and Section 4.15);

(f) Investments consisting of direct ownership interests in Oil and Gas Properties or wells, gas gathering systems or other field facilities, seismic data and surveys, in each case related to such Oil and Gas Properties, or related to farmouts, farm-ins, participation agreements, joint operating agreements, joint venture or area of mutual interest agreements or other similar arrangements which are usual and customary in the oil and gas industry located within the geographic boundaries of the United States of America; provided that (i) no such investment includes an investment in any equity interest in a Person, (ii) any Indebtedness incurred or assumed or Lien granted or permitted to exist pursuant to such investments is otherwise permitted under Section 5.1 and Section 5.2, respectively;

(g) investments representing the non-cash portion of the consideration received for any Disposition of any assets permitted under Section 5.5, so long as at least 80.0% of the consideration received in respect of any such Disposition is cash or cash equivalents;

(h) advances to employees for the payment of expenses in the ordinary course of business;

(i) to the extent constituting investments, Indebtedness permitted pursuant to Section 5.1 and Distributions permitted pursuant to Section 5.6; and

(j) Investments, exclusive of those described in subsections (a) through (i) of this definition, that do not (taking into account all of the Investments of all of the Restricted Persons) exceed an aggregate amount of $100,000 during the term of this Agreement.

"Permitted Liens" means:

(a) statutory Liens for Taxes, assessments, or other governmental charges or levies that are not yet delinquent or that are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP or IFRS (as applicable);

(b) landlords', operators', carriers', warehousemen's, repairmen's, mechanics', materialmen's, or other like Liens that do not secure Indebtedness, in each case only to the extent arising in the ordinary course of business and only to the extent securing obligations that are not delinquent or that are being contested in good faith by appropriate proceedings and for which adequate reserves have been maintained in accordance with GAAP or IFRS (as applicable);

(c) minor defects and irregularities in title to any property, so long as such defects and irregularities neither secure Indebtedness nor materially impair the value of such property or the use of such property for the purposes for which such property is held;

(d) deposits of cash or securities to secure the performance of bids, trade contracts, leases, statutory obligations, and other obligations of a like nature (excluding appeal bonds) incurred in the ordinary course of business and not constituting Indebtedness;

(e) Liens under the Security Documents;

(f) with respect only to property subject to a Security Document, any Liens burdening such property that are expressly allowed by such Security Document;

(g) easements, restrictions, servitudes, permits, conditions, covenants, exceptions, or reservations in any property of any Restricted Person 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 Indebtedness and that do not materially interfere with the future development of such property or with cash flow from such property as reflected in the most recently delivered Engineering Report;

(h) judgment and attachment Liens not giving rise to an Event of Default under Section 8.1(i);

(i) Liens resulting from good faith deposits to secure payments of workmen's compensation or other social security programs (other than Liens imposed by ERISA) or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, contracts (other than for payment of Indebtedness), or leases made in the ordinary course of business;

(j) Liens under joint operating agreements, pooling or unitization agreements, sale contracts or similar contractual arrangements arising in the ordinary course of the business of any Restricted Person to secure amounts owing under such agreements and contracts, which amounts are not more than ninety (90) days past due or are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP or IFRS (as applicable);

(k) encumbrances consisting of deed restrictions, zoning restrictions, easements, governmental or environmental permitting and operation restrictions, the exercise by

Governmental Authorities or third parties of eminent domain or condemnation rights, or any other similar restrictions on the use of the Oil and Gas Properties, none of which materially impairs the use of such property by any Restricted Person in the operation of its business, and none of which is or shall be violated in any material respect by existing or proposed operations;

(l) all lessors' royalties, overriding royalties, net profits interests, carried interests, production payments that do not constitute Indebtedness, reversionary interests, and other burdens on or deductions from the proceeds of production with respect to each Oil and Gas Property (in each case) that do not operate to reduce the net revenue interest for such Oil and Gas Property (if any) as reflected in any Security Document or Engineering Report or increase the working interest for such Oil and Gas Property (if any) as reflected in any Security Document or Engineering Report without a corresponding increase in the corresponding net revenue interest;

(m) (i) existing Liens disclosed on Section 5.2 of the Disclosure Schedule, (ii) normal and customary set off rights upon deposits of cash in favor of banks and depository institutions, (iii) Liens of a collection bank arising under Section 4-210 of the UCC on items in the course of collection, (iv) Liens of sellers of goods arising under Article 2 of the UCC or similar provisions of applicable Law in the ordinary course of business covering only the goods sold and securing only the unpaid purchase price for such goods and related expenses;

(n) purchase money Liens on specific property to secure Indebtedness used to acquire such property and Liens securing Capital Lease Obligations with respect to specific leased property, in each case to the extent permitted in Section 5.1(f) and Liens arising in connection with protective filings of financing statements in connection with leases and bailment and storage arrangements not otherwise prohibited hereunder;

(o) so long as no default has occurred by Borrower or any Restricted Persons in the payment or performance of such agreements, contracts, agreements, lease provisions, defects and irregularities which (i) were in effect when such property, assets or revenues were acquired, (ii) were not created in contemplation of such acquisition, (iii) were not such as to materially interfere with the operation, value or use of the properties covered by such Lien, (iv) are ordinary and customary to the oil, gas and other mineral exploration, development, processing or extraction business, (v) do not otherwise cause any other express representation or warranty of Borrower or any of the Restricted Persons in any of the Loan Documents to be untrue, and (vi) do not operate to reduce Borrower's or any of the Restricted Person's net revenue interest in production for the affected Oil and Gas Properties (if any) below such interests reflected in the most recent Engineering Report, or increase the working interest for the affected Oil and Gas Properties (if any) as reflected or warranted in the most recent Engineering Report without a corresponding increase in the corresponding net revenue interest;

(p) contractual Liens for the benefit of operators of the Oil and Gas Properties of Borrower and its Subsidiaries, but only to the extent that such operators are not Restricted Persons or Affiliates of Restricted Persons (unless such Restricted Persons or Affiliates have subordinated such Liens to the Liens securing the Obligations in a manner satisfactory to Lender and pursuant to documentation in form and substance satisfactory to Lender), and are not asserting a claim or right to exercise their rights under such contractual Liens, except for such claims and rights of

operators which Borrower or the applicable Subsidiary is contesting in good faith and for which adequate reserves are maintained in accordance with GAAP or IFRS (as applicable);

(q) the statutory Lien to secure payment of proceeds of production established by Texas Bus. & Comm. Code § 9.343 and similar Laws of other jurisdictions;

(r) gas balancing arrangements; provided that the amount of all gas imbalances and the amount of all production which has been paid for but not delivered shall have been disclosed or otherwise taken into account in the Engineering Reports delivered to Administrative Agent hereunder;

(s) Liens to secure plugging and abandonment obligations;

(t) Liens covering unearned insurance premiums or dividends, loss payments that reduce the unearned premiums, and any interest in any state guarantee fund relating to any financed insurance policy; and

(u) Liens securing up to $250,000.00 of Indebtedness permitted by Section 5.1(l); provided that such Liens do not encumber any Collateral, any Equity in any Restricted Person, any Deposit Account, or any Securities Account, other than any Collateral financed by such Indebtedness.

"Permitted Tax Distributions" means, with respect to any Person, for any taxable period after the Closing Date during which time such Person is a pass-through entity for income Tax purposes, any payment to any holder of such Person's stock or other equity interests to permit such holders to pay federal income Taxes and all relevant state and local income Taxes at a rate equal to the highest marginal applicable Tax rate for the applicable Tax year, however denominated (together with any interest, penalties, additions to Tax, or additional amounts with respect thereto) imposed as a result of taxable income attributed to such holder as a partner of such Person under federal, state, and local income Tax laws, determined on a basis that combines those liabilities arising out of the net effect of the income, gains, deductions, losses, and credits of such Person and attributable to it in proportion and to the extent in which such holders hold stock or other equity interests of such Person, provided, however, the computation of Tax distributions under this definition shall take into account the carryovers of items of loss, deduction and expense previously allocated by such Person to holders of its equity interests, such that the excess, if any, of the aggregate items of losses from the prior taxable year over aggregate items of income from the prior taxable year will be deducted from the current taxable year's income before applying the appropriate Tax rate.

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

"Plan" means any employee benefit plan (as defined in Section 3(3) of ERISA) established by a Restricted Person and any ERISA Plan.

"Present Value" of any Oil and Gas Property means the present value of the future net cash flows attributed to such Oil and Gas Property in the most recently delivered Engineering Report using an annual discount rate of twelve percent (12%).

"Projected PDP Oil and Gas Production" means the projected production of crude oil or natural gas (measured by volume unit or BTU equivalent, not sales price) for the term of the contract or a particular month, as applicable, from Oil and Gas Properties owned by the Restricted Persons that are located in or offshore of the United States and that have attributable to them Proved Developed Producing Reserves, as such production is projected in the most recently delivered Engineering Report, after deducting projected production from any properties or interests sold or under contract for sale that had been included in such Engineering Report and after adding projected production from any properties or interests that had not been reflected in such Engineering Report but that are reflected in a separate or supplemental report meeting the requirements of Section 4.2(g) or Section 4.2(h) and otherwise are reasonably satisfactory to the Lender.

"Proved Developed Producing Oil and Gas Properties" means Oil and Gas Properties to which Proved Developed Producing Reserves are attributed.

"Proved Reserves" means "Proved Reserves" as defined in the Petroleum Resources Management System as in effect at the time in question (in this definition, the "PRMS") prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers and reviewed and jointly sponsored by the World Petroleum Council, the American Association of Petroleum Geologists and the Society of Petroleum Evaluation Engineers (or any generally recognized successor organizations). "Proved Developed Producing Reserves" means Proved Reserves that are categorized as "Developed Producing Reserves" in the PRMS, "Proved Developed Nonproducing Reserves" means Proved Reserves that are categorized as "Developed Nonproducing Reserves" in the PRMS, and "Proved Undeveloped Reserves" means Proved Reserves that are categorized as "Undeveloped Reserves" in the PRMS.

"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.

"Qualified ECP Guarantor" means, in respect of any Swap Obligation, any Restricted Person that is not an individual/a natural person and that has total assets exceeding $[redacted] at the time the relevant guarantee or grant of the relevant security interest becomes effective with respect to such Swap Obligation or such other person as constitutes an "eligible contract participant" under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another person to qualify as an "eligible contract participant" at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

"Regulation U" means Regulation U of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor or other regulation or official interpretation of said Board of Governors relating to the extension of credit by banks for the purpose of purchasing or carrying margin stocks applicable to member banks of the Federal Reserve System.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors, and representatives of such Person and of such Person's Affiliates.

"Reporting Jurisdictions" means all of the jurisdictions in Canada in which the Parent is a "reporting issuer", including as of the date hereof, the Province of Alberta.

"Responsible Officer" means, as to any Person, the chief executive officer, the president, vice president, treasurer, or the chief financial officer of such Person (or, if such Person has no such officers and is a partnership or a limited liability company, of a general partner, managing member, or member of such Person, or if such Person has no such officers and is a limited liability company, of a managing member or member of such Person, and so forth). Unless otherwise specified, all of the references to a Responsible Officer herein mean a Responsible Officer of the Borrower.

"Restricted Persons" means, collectively, the Borrower and each Restricted Subsidiary, and "Restricted Person" means any of the foregoing.

"Restricted Subsidiaries" means, collectively, all of the Subsidiaries of the Borrower that are not Unrestricted Subsidiaries, on the date hereof, including but not limited to Southern Energy BWB, LLC, Southern Energy CMS, LLC, Southern Energy SO, LLC, Southern Energy Operating LLC, and Southern Energy LA, LLC, and "Restricted Subsidiary" means any of the foregoing.

"S & P" means Standard & Poor's Ratings Services (a division of The McGraw Hill Companies), or its successor.

"Sanctioned Country" means, at any time, a country, region, or territory which is itself the subject or target of any Sanctions (at the time of this Agreement, the Crimea region of Ukraine, Cuba, Iran, North Korea, Sudan, and Syria).

"Sanctioned Person" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union, any European Union member state, Her Majesty's Treasury of the United Kingdom or any other relevant sanctions authority, (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 clause (a) or (b).

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

"Securities Account Control Agreement" means an agreement in form and substance reasonably satisfactory to the Lender establishing the Lender's "control" of a Securities Account as contemplated by Section 8-106 of the UCC.

"Securities Accounts" means, collectively, (a) all of the "securities accounts" (as such term is defined in the UCC) of the Restricted Persons, and (b) all of the "financial assets" (as such term is defined in the UCC) from time to time credited thereto.

"Security Documents" means the guaranties, deeds of trust, mortgages (including the Mortgages), pledge agreements, security agreements, and other documents listed in the Security Schedule and all of the other security agreements, deeds of trust, mortgages, chattel mortgages, pledges, environmental indemnity agreements, guaranties, financing statements, continuation statements, extension agreements, subordination agreements, intercreditor agreements, and other agreements or instruments delivered on or after the Closing Date by any Restricted Person to the Lender in connection with this Agreement or any transaction contemplated hereby to secure or guarantee the payment of any part of the Obligations or the performance of any Restricted Person's other duties and obligations under the Loan Documents.

"Security Schedule" means Schedule 2 hereto.

"SEDAR" means the System for Electronic Document Analysis Retrieval filing system maintained by the participating Canadian provincial and territorial securities regulatory authorities.

"Subsidiary" means, with respect to any Person, any corporation, association, partnership, limited liability company, joint venture, or other business or corporate entity, enterprise, or organization that is directly or indirectly (through one or more intermediaries) controlled by or majority-owned by such Person; provided that associations, joint ventures, or other relationships (a) that are established pursuant to a standard form operating agreement or similar agreement or that are partnerships for purposes of federal income taxation only, (b) that are not corporations or partnerships (or subject to the Uniform Partnership Act) under applicable state Law, and (c) whose businesses are limited to the exploration, development, and operation of oil, gas, or mineral properties and interests owned directly by the parties in such associations, joint ventures, or relationships, shall not be deemed to be "Subsidiaries" of such Person.

"Swap Agreement" means, any agreement, contract, or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act, including any agreement with respect to any swap, forward, future, or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial, or pricing indices or measures of economic, financial, or pricing risk or value or any similar transaction or any combination of these transactions; 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 Restricted Person shall be a "Swap Agreement".

"Swap Obligations" means, with respect to any Person, any and all obligations of such Person, whether absolute or contingent and howsoever and whensoever created, arising, evidenced, or acquired (including all renewals, extensions, and modifications thereof and substitutions therefor), under (a) any and all Swap Agreements, and (b) any and all cancellations, buy backs, reversals, terminations, or assignments of any Swap Agreement transaction.

"Tax Returns" has the meaning given to such term in Section 3.22.

"Taxes" means all present or future taxes and other levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, or fees imposed by any Governmental

Authority that are in the nature of a tax, including any interest, additions to tax, or penalties applicable thereto.

"Termination Event" means (a) the occurrence with respect to any ERISA Plan of (i) a reportable event described in Section 4043(c)(5) or (6) of ERISA or (ii) any other reportable event described in Section 4043(c) of ERISA other than such a reportable event for which the 30-day notice requirement has been waived, or (b) the withdrawal by any ERISA Affiliate from an ERISA 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, or (c) the filing of a notice of intent to terminate any ERISA Plan or the treatment of any ERISA Plan amendment as a termination under Section 4041 of ERISA, or (d) the institution of proceedings to terminate any ERISA Plan by the PBGC under Section 4042 of ERISA, or (e) any other event or condition which might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any ERISA Plan, or (f) any failure by any ERISA Plan to satisfy the ERISA Plan Funding Rules, whether or not waived, or (g) the filing pursuant to Section 412(c) of the Internal Revenue Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any ERISA Plan, the failure to make by its due date a required installment under Section 430(j) of the Internal Revenue Code with respect to any ERISA Plan, or (h) a determination that any ERISA Plan is, or is expected to be, an at-risk plan (as defined in Section 430 of the Internal Revenue Code or Section 303 of ERISA) and the funding target attainment percentage (as defined in Section 430 of the Internal Revenue Code or Section 303 of ERISA) for such plan is, or is expected to be, less than 60%, or (i) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent, upon any ERISA Affiliate.

"Threshold Amount" means [redacted].

"UCC" means the Uniform Commercial Code, as in effect from time to time, of the State of Texas or of any other state the laws of which are required to be applied in connection with the attachment, perfection, or priority of, or remedies with respect to, the Lender's Lien on any Collateral.

"United States" and "U.S." mean the United States of America.

"Unrestricted Subsidiaries" means, collectively, each Subsidiary of the Borrower that is not a Wholly-Owned Subsidiary, and "Unrestricted Subsidiary" means any of the foregoing.

"Unused Amount" means, at any time of determination, an amount equal to (a) the Maximum Credit Amount minus (b) the total amount of the Loans made by the Lender.

"U.S. Person" means any "United States person" as defined in Section 7701(a)(30) of the Internal Revenue Code.

"U.S. Tax Compliance Certificate" has the meaning given to such term in Section 2.11(f)(ii)(B)(III).

"Warrants" means those certain 41,250,000 warrants issued by the Parent to the Lender entitling the Lender to purchase one common share of the Parent at an exercise price equal to $0.05

per share, with such warrants expiring upon the earlier of (a) the consummation of a sale of all or substantially all of the equity securities or assets of the Borrower, and (b) the Maturity Date. Such warrants shall be in form and substance satisfactory to the Lender.

"Wholly-Owned Subsidiary" means any Subsidiary in which one hundred percent (100%) of the Equity, at the time as of which any determination is being made, is owned, beneficially and of record, by the Borrower, or by one or more of the other Wholly-Owned Subsidiaries of the Borrower, or both.

"Withholding Agent" means the Borrower and the Guarantor.

"Write-Down and Conversion Powers" means, 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.

Section 1.2. Exhibits and Schedules; Additional Definitions. All of the Exhibits and Schedules attached to this Agreement are a part hereof for all purposes. Reference is hereby made to the Security Schedule for the meaning of certain terms defined therein and used but not defined herein, which definitions are incorporated herein by reference.

Section 1.3. Terms Generally; References and Titles. 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 otherwise specified, references to a Person's "discretion" means its sole and absolute discretion. 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, restatements, or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all of the references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (e) any reference to any Law herein shall, unless otherwise specified, refer to such Law, as amended, modified, or supplemented from time to time, and (f) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights. References to any document, instrument, or agreement (a) shall include all of the exhibits, schedules, and other attachments thereto, and (b) shall include all of the documents, instruments, or agreements issued or executed in replacement thereof. Titles appearing at the beginning of any subdivisions are for convenience only and do not constitute any part of such subdivisions and shall be disregarded in construing the language contained in such subdivisions. The phrases "this section" and "this subsection" and similar phrases refer only to the sections or subsections hereof in which such phrases occur. The word "or" is not exclusive. Accounting terms have the meanings

assigned to them by GAAP or IFRS (as applicable), as applied by the accounting entity to which they refer. References to "days" shall mean calendar days, unless the term "Business Day" is used.

Section 1.4. Computations and Determinations. All interest shall be calculated on the basis of a 365-day or 366-day year, as appropriate, for the actual number of days elapsed and all other interest and fees under each Loan Document shall be calculated on the basis of a 360-day year for the actual number of days elapsed. The date of funding of a Loan shall be included in the calculation of interest. The date of payment of a Loan shall be excluded from the calculation of interest. Unless otherwise expressly provided herein or unless the Lender otherwise consents, all of the financial statements and reports furnished to the Lender hereunder shall be prepared and all of the financial computations and determinations pursuant hereto shall be made in accordance with GAAP or IFRS, as applicable. Notwithstanding the foregoing, all of the GAAP or IFRS financial statements delivered hereunder shall be prepared, and all of the financial covenants contained herein shall be calculated, without giving effect to any election under IFRS 9 (or any similar accounting principle) permitting a Person to value its financial liabilities at the fair value thereof.

Section 1.5. Rounding. Any financial ratios required to be maintained by the Borrower pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein, and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

Section 1.6. Times of Day. Unless otherwise specified, all of the references herein to times of day shall be references to Mountain Time (daylight or standard, as applicable).

Section 1.7. Joint Preparation; Construction of Indemnities and Releases. This Agreement and the other Loan Documents have been reviewed and negotiated by sophisticated parties with access to legal counsel and no rule of construction shall apply hereto or thereto that would require or allow any Loan Document to be construed against any party because of its role in drafting such Loan Document. All indemnification and release provisions of this Agreement shall be construed broadly (and not narrowly) in favor of the Persons receiving indemnification or being released.

ARTICLE II - The Loans

Section 2.1. Commitments to Lend; Note. Subject to the terms and conditions set forth herein, the Lender agrees to make loans to the Borrower (herein called the Lender's "Loan" or "Loans") upon the Borrower's request from time to time during the Commitment Period as follows: (a) an initial tranche, by way of a single Loan advanced on the Closing Date in the principal amount of $5,500,000 (the "Tranche A Loan"), and (b) a subsequent tranche, by way of multiple Borrowings not to exceed $3,000,000 in the aggregate (each a "Tranche B Loan"). The amount of any Tranche B Loan must be greater than or equal to $500,000.00 or any higher integral multiple of $50,000.00 or must equal the remaining Unused Amount. Interest on each Loan shall accrue and be due and payable as provided herein. Each Loan shall be due and payable as provided herein and shall be due and payable in full on the Maturity Date. Borrower may not reborrow amounts repaid or prepaid hereunder. The obligation of the Borrower to repay to the Lender the aggregate amount of all of the Loans made by the Lender, together with interest accruing in

connection therewith, shall be evidenced by a single promissory note (herein called the Lender's "Note") made by the Borrower payable to the Lender or its registered assigns in the form of Exhibit A with appropriate insertions. The amount of principal owing on the Lender's Note at any given time shall be the aggregate amount of all of the Loans theretofore made by the Lender minus all payments of principal theretofore received by the Lender on the Note.

Section 2.2. [Intentionally Omitted].

Section 2.3. Requests for Tranche B Loans. The Borrower must give to the Lender written or electronic notice of any requested Borrowing of a new Tranche B Loan. Each such notice constitutes a "Borrowing Notice" hereunder and must:

(a) specify the aggregate amount of any such Borrowing of a new Tranche B Loan and the date on which such Tranche B Loan is to be advanced;

(b) include supporting documentation that Lender requires in support of Tranche B Loans, including but not limited to an authorization for expenditure or such similar documents detailing the use funds in accordance with Section 2.4 hereof; and

(c) be received by the Lender not later than 10:00 a.m. on the tenth (10th) Business Day preceding the day on which any such Tranche B Loan is to be made.

Each such written request or confirmation must be made in the form and substance of the "Borrowing Notice" attached hereto as Exhibit B, duly completed. If all of the conditions precedent to such new Loan has been met, the Lender will on the date requested make such Loans available to the Borrower.

Section 2.4. Use of Proceeds. The Borrower shall use the proceeds of the Tranche A Loan to refinance the Existing Indebtedness and to pay fees and expenses incurred in connection with the Loan Documents, and shall use substantially all of the proceeds of the Tranche B Loans to fund accretive capital expenditures in connection with development, recompletion, or workover of the Oil and Gas Properties of the Restricted Persons and general corporate purposes. In no event shall the funds from any Loan be used directly or indirectly by any Person for personal, family, household, or agricultural purposes or for the purpose, whether immediate, incidental, or ultimate, of purchasing, acquiring, or carrying any "margin stock" (as such term is defined in Regulation U) or to extend credit to others directly or indirectly for the purpose of purchasing or carrying any such margin stock. The Borrower represents and warrants that the Borrower is not engaged principally, or as one of the Borrower's important activities, in the business of extending credit to others for the purpose of purchasing or carrying such margin stock. No Borrowing, use of proceeds, or other transaction contemplated by this Agreement will violate any Anti-Corruption Law or applicable Sanctions.

Section 2.5. Interest Rates and Fees; Payment Dates; Principal Payments.

(a) Interest Rates. From and following the Closing Date, subject to the terms hereof, the principal amount of the Loans outstanding from day to day shall bear interest at the Interest Rate.

(b) Default Rate. Notwithstanding the foregoing, from and after the occurrence and during the continuance of an Event of Default, whether at stated maturity, upon acceleration, or otherwise, all of the outstanding Loans shall bear interest, after as well as before judgment, at a rate per annum equal to the Default Rate.

(c) Fee Letter. The Borrower will pay to the Lender the fees as and when required by the Fee Letter.

(d) Payment Dates. On each Loan Payment Date, the Borrower shall pay to the Lender all of the principal, accrued interest, and any fees then due and owing pursuant to the Note and this Agreement. On the Maturity Date, the Borrower shall pay to the Lender the entire unpaid principal balance of the Loans then outstanding, all of the accrued and unpaid interest on the Loans, and any fees then owed to the Lender.

(e) Principal Payments. On each Loan Payment Date, the Borrower shall pay to the Lender the principal due and owing as of such Loan Payment Date, calculated as the sum of (1) the aggregate principal amount then outstanding on all Loans multiplied by the fraction 1 / A, where A equals the sum of the number of whole or partial calendar months remaining to the Maturity Date plus twelve (12) months, plus, only in the case of Loan Payment Dates occurring on the last day of the second calendar month after the end of a Fiscal Quarter, (2) an amount equal to fifty percent (50%) of Free Cash Flow for such Fiscal Quarter (each a "Free Cash Flow Payment"), provided further that, with respect to the first Free Cash Flow Payment due hereunder on August 31, 2021, such Free Cash Flow Payment shall be computed as fifty percent (50%) of Free Cash Flow for the period from the Closing Date to June 30, 2021. On the Maturity Date, the Borrower shall pay to the Lender the entire unpaid principal balance of the Loans then outstanding. If at any time the aggregate balance of Default Reserves exceeds the remaining outstanding principal of and scheduled interest to be paid on the Loans, then at the request of the Borrower the Lender shall apply the Default Reserves as Payment in Full of all Loans (including such principal and at most six months of scheduled interest amounts, and without any other premium or penalty), and promptly return any remaining Default Reserves to Borrower.

Section 2.6. Optional Prepayments. During the first six (6) months after the Closing Date, the Borrower may from time to time prepay the Loans, in whole or in part, upon prior written notice to the Lender, provided that (a) such notice must be received by the Lender not later than 10:00 a.m. on the third (3rd) Business Day preceding the day on which any Loan is to be prepaid, and (b) along with the prepayment of principal, the Borrower must pay an amount equal to six (6) months of interest that would have accrued on the principal so prepaid. After the first six (6) months after the Closing Date, the Borrower may from time to time prepay the Loans, but only in their entirety, upon prior written notice to the Lender, provided that such notice must be received by the Lender not later than sixty (60) days preceding the day on which the Loans to be prepaid (the "Prepayment Notice"). Each prepayment of principal under this section shall be accompanied by all of the interest then accrued and unpaid on the principal so prepaid. Any principal or interest prepaid pursuant to this section shall be in addition to, and not in lieu of, all payments otherwise required to be paid under the Loan Documents at the time of such prepayment. In the event the Borrower delivers a Prepayment Notice to the Lender but does not pay in full all of the Loans within sixty (60) days from the Lender's receipt of the Prepayment Notice, the Borrower then must pay a fee to the Lender equal to the greater of (x) [redacted] or (y) [redacted] of the then-

outstanding principal of all of the Loans, with such fee due on the sixty-first (61st) day after the Lender's receipt of the Prepayment Notice.

Section 2.7. Default Reserve. As security for the payment of the Loans and the Borrower's other Obligations, the following reserve will be established, which reserve will be funded by the Borrower as follows:

(a) from the proceeds of each Loan, an amount equal to the interest that will accrue on the original principal amount of that Loan for three (3) months shall be deducted by the Lender, as the default reserve for that Loan (each, a "Default Reserve");

(b) each Default Reserve shall be held by the Lender;

(c) the Lender is not obligated to segregate any Default Reserve (or any part thereof) from its own funds or other funds held by or on behalf of the Lender;

(d) the Borrower shall have no right to withdraw or request funds from the Default Reserves, or to assign, transfer or grant a security interest in the Default Reserves to any third party;

(e) the Lender shall not be obligated to invest any Default Reserve;

(f) the Lender shall not be obligated to account to the Borrower for any interest earned on any Default Reserve;

(g) the Borrower is obligated to pay interest on each Loan pursuant to the terms hereof, without any reduction or allowance on account of the balance in each Default Reserve;

(h) in the event the Borrower fails to pay any amount due and owing on any Loan, the Lender may take funds from any of the Default Reserves to apply to such due and owing amount, and immediately upon the Lender's notice to the Borrower of such application, the Borrower shall replenish the Default Reserves by paying to the Lender such sum as may be directed by the Lender; and

(i) if the Borrower fails to repay the Loans in full on the Maturity Date or upon demand by the Lender following an Event of Default, the Borrower shall pay to the Lender a fee equal to the aggregate amount of the balances in all Default Reserves, and the Lender is hereby irrevocably authorized to deduct such aggregate amount from the Default Reserves in payment of that fee.

Section 2.8. Collateral Value.

(a) As at the Closing Date to but excluding the first Determination Date, the Collateral Value shall be [redacted].

(b) Within thirty (30) days after each Fiscal Quarter, the Lender shall determine the amount of the Collateral Value as at the end of such Fiscal Quarter, according to the following procedure: (i) the Borrower shall have, at least 10 days prior, furnished to the Lender all of the information, reports, and data that the Lender has then requested concerning the businesses and

properties of the Restricted Persons (including their Oil and Gas Properties and interests and the reserves and production relating thereto), together with, as applicable, the Engineering Report in accordance with Section 4.2(g); (ii) the Lender shall calculate the discounted net present value of the Proved Developed Producing Oil and Gas Properties of the Restricted Persons identified in the applicable Engineering Report and included in the Collateral at the time in question, utilizing a twelve percent (12%) annual discount rate and a price deck based on forward/future commodity prices available from a reference customarily used among commercial oil and gas borrowing base lenders, acceptable to the Lender and obtained within three (3) days prior to the date of calculation, and (iii) the Lender may adjust the amount calculated in (ii) based upon other credit factors (including the assets, liabilities, cash flow, hedged and unhedged exposure to price, foreign exchange rate, and interest rate changes, business, properties, prospects, management, and ownership of the Restricted Persons) as it in its discretion deems significant and consistent with oil and gas lending criteria customary among commercial oil and gas borrowing base lenders as it exists at such time. The Lender shall by notice to the Borrower designate such amount as the new Collateral Value hereunder, which designation shall take effect immediately on the date such notice is sent (herein called a "Determination Date") and shall remain in effect until but not including the next date as of which the Collateral Value is redetermined. **IT IS EXPRESSLY UNDERSTOOD THAT THE LENDER HAS NO OBLIGATION TO DESIGNATE THE COLLATERAL VALUE AT ANY PARTICULAR AMOUNT, WHETHER IN RELATION TO THE MAXIMUM CREDIT AMOUNT OR OTHERWISE.**

(c) If the Borrower does not furnish all such information, reports, and data by the date specified in the first sentence of subsection (b) of this section, the Lender may nonetheless determine the Collateral Value at any amount that the Lender determines and may redetermine the Collateral Value from time to time thereafter until the Lender receives all such information, reports, and data, whereupon the Lender shall designate a new Collateral Value as described above.

Section 2.9. Payments to the Lender; General Procedures. The Borrower will make each payment that it owes under the Loan Documents to the Lender, in lawful money of the United States, without set-off, deduction, or counterclaim, and in immediately available funds. Each such payment must be received by the Lender no later than 10:00 a.m. on the date such payment becomes due and payable (unless provided otherwise under this Agreement). Any payment received by the Lender after such time will be deemed to have been made on the next following Business Day. Should any such payment become due and payable on a day other than a Business Day, the maturity of such payment shall be extended to the next succeeding Business Day, and, in the case of a payment of principal or past due interest, interest shall accrue and be payable thereon for the period of such extension as provided in the Loan Document under which such payment is due. Each payment under a Loan Document shall be due and payable at the address set forth for the Lender. When the Lender collects or receives money on account of the Obligations, the Lender shall apply all money so collected or received, as follows (except as otherwise provided in Section 8.3):

(a) first, for the payment of all Obligations that are then due (and if such money is insufficient to pay all such Obligations, first to any reimbursements due to the Lender under Section 4.9 or ARTICLE IX - and then to the partial payment of all other Obligations then due in proportion to the amounts thereof, or as the Lender shall otherwise determine, in its discretion);

(b) then, for the prepayment of principal of the Loans, together with accrued and unpaid interest on the principal so prepaid; and

(c) then, for the payment or prepayment of any other Obligations; and

(d) last, to the Borrower or as otherwise required by applicable Law.

All payments applied to principal or interest shall be applied first to any interest then due and payable, then to principal then due and payable, and last to any prepayment of principal and interest in compliance with Section 2.6 and Section 2.7.

Section 2.10. [Intentionally Omitted.].

Section 2.11. Taxes.

(a) Defined Terms. For purposes of this Section 2.11, the term "applicable Law" includes FATCA.

(b) Payments Free of Taxes. Any and all payments by or on account of any obligation of the Borrower hereunder or under any other Loan Document shall be made free and clear of and 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 (i) 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 (ii) if such Tax is an Indemnified Tax, then the sum payable by the Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this section) the Lender 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 Borrower. Without limiting the provisions of subsection (b) above, the Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable Law, or at the option of the Lender timely reimburse it for the payment of, any Other Taxes.

(d) Indemnification by the Borrower. The Borrower shall indemnify the Lender, within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this section) payable or paid by the Lender or required to be withheld or deducted from a payment to the Lender 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 the Lender shall be conclusive absent manifest error.

(e) Evidence of Payments. As soon as practicable after any payment of Taxes by the Borrower to a Governmental Authority pursuant to this Section 2.11, the Borrower shall deliver to the Lender 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 Lender.

(f) Status of Lenders.

(i) If the Lender is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document, it shall deliver to the Borrower, at the time or times reasonably requested by the Borrower, such properly completed and executed documentation reasonably requested by the Borrower as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, the Lender, if reasonably requested by the Borrower, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Borrower as will enable the Borrower to determine whether or not the 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 2.11(f)(ii)(A), (ii)(B) and (ii)(C) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject the Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of the Lender.

(ii) Without limiting the generality of the foregoing:

(A) If the Lender is a U.S. Person it shall deliver to the Borrower on or prior to the date of this Agreement (and from time to time thereafter upon the reasonable request of the Borrower), executed originals of Internal Revenue Service Form W-9 certifying that the Lender is exempt from United States federal backup withholding tax.

(B) If the Lender is a Foreign Lender it shall, to the extent it is legally entitled to do so, deliver to the Borrower (in such number of copies as shall be requested by the recipient) on or prior to the date of this Agreement (and from time to time thereafter upon the reasonable request of the Borrower), whichever of the following is applicable:

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

(II) executed originals or copies of IRS Form W-8ECI;

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

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

(V) any other form prescribed by applicable Law as a basis for claiming exemption from or a reduction in United States federal withholding Tax duly completed together with such supplementary documentation as may be prescribed by applicable Law to permit the Borrower to determine the withholding or deduction required to be made.

(C) If a payment made to the Lender under any Loan Document would be subject to United States federal withholding Tax imposed by FATCA if the Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or Section 1472(b) of the Internal Revenue Code, as applicable), the Lender shall deliver to the Borrower at the time or times prescribed by Law and at such time or times reasonably requested by the Borrower such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Internal Revenue Code) and such additional documentation reasonably requested by the Borrower as may be necessary for the Borrower to comply with its obligations under FATCA and to determine that the Lender has complied with the Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (C), "FATCA" shall include any amendments made to FATCA after the date of this Agreement. In addition, the Lender shall indemnify the Borrower for any withholding Tax or other penalties imposed in connection with any "withholdable payment," as defined in Section 1473 of the

Internal Revenue Code, if the Lender has failed to comply with the reporting requirements or otherwise qualify for an exemption under FATCA.

The 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 in writing of its legal inability to do so.

(g) Treatment of Certain Refunds. If any party determines, in its 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 2.11 (including by the payment of additional amounts pursuant to this Section 2.11), 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 2.11 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses 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 (g) (plus any penalties, interest, or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the indemnification payments or additional amounts giving rise to such refund 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.

(h) Survival. Each party's obligations under this Section 2.11 shall survive the assignment of rights by, or the replacement of, the Lender, the termination of the Commitments, and the repayment, satisfaction, or discharge of all if the obligations under any Loan Document.

ARTICLE III - Representations and Warranties

The Credit Parties hereby represent and warrant to the Lender that:

Section 3.1. No Default. No Restricted Person is in default (a) in the performance of any of its covenants and agreements contained in any Loan Document or (b) under or with respect to any of its other contractual obligations that could reasonably be expected to cause a Material Adverse Change. No event has occurred and is continuing that constitutes a Default.

Section 3.2. Existence; Compliance with Law. Each Restricted Person (a) is duly organized or formed, as applicable, validly existing and (if relevant) in good standing under the Laws of the jurisdiction of its organization, incorporation, or formation, as the case may be, (b) has the limited liability company, partnership, corporate, or other legal entity power and authority and the legal right to own and operate its property and assets, including its Oil and Gas Properties, to lease the property and assets it leases and causes to be operated as lessee, and to conduct the business in which it is currently engaged under the Governmental Requirements of each jurisdiction in which it owns, leases, and/or operates its property or assets, (c) is duly qualified as

a foreign limited liability company, partnership, corporation, or other legal entity and (if relevant) in good standing under the Laws of each jurisdiction where its ownership, lease, or operation of property or assets or the conduct of its business requires such qualification, except to the extent that failure to so qualify would not, individually or in the aggregate, reasonably be expected to cause a Material Adverse Change, (d) is in compliance in all material respects with its Organizational Documents, and (e) is in compliance with all Governmental Requirements, except to the extent that the failure to comply therewith would not, individually or in the aggregate, reasonably be expected to cause a Material Adverse Change.

Section 3.3. Entity Power; Authorization; Due Execution. Each Restricted Person has the power and authority, and the legal right, to execute, deliver, and perform the Loan Documents to which it is a party and has duly taken all necessary action to authorize the execution and delivery by it of the Loan Documents to which it is a party and to authorize the consummation of the transactions contemplated thereby and the performance of its obligations thereunder. The Borrower is duly authorized to borrow funds hereunder. Each Restricted Person has duly executed and delivered each Loan Document to which it is a party.

Section 3.4. No Conflicts or Consents. The execution and delivery by the Restricted Persons of the Loan Documents to which each is a party, the performance by each of its obligations under such Loan Documents, including the borrowings hereunder and the use of proceeds thereof, and the consummation of the transactions contemplated by the Loan Documents do not and will not (a) conflict with, violate, or result in a breach of any provision of (i) any Governmental Requirement, (ii) the Organizational Documents of any Restricted Person, or (iii) any agreement, mortgage, indenture, instrument, document, contract, judgment, license, order, permit, or other obligation applicable to or binding upon any Restricted Person, (b) result in the acceleration of any Indebtedness owed by any Restricted Person, or (c) result in or require the creation or imposition of any Lien upon any assets, properties, or revenues of any Restricted Person, except as expressly contemplated or permitted in the Loan Documents. Except (i) as expressly contemplated in the Loan Documents and (ii) such as have been obtained or made and are in full force and effect, no permit, consent, approval, authorization, or order of, and no notice to or filing with, or other act by or in respect of, any Governmental Authority or any other Person is required on the part of or in respect of a Restricted Person in connection with the borrowings hereunder or the execution, delivery, or performance by any Restricted Person of any Loan Document or to consummate any transactions contemplated by the Loan Documents.

Section 3.5. Enforceable Obligations.

(a) This Agreement is, and the other Loan Documents when duly executed and delivered will be, legal, valid, and binding obligations of each Restricted Person that is a party hereto or thereto, enforceable against such Restricted Person in accordance with their terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar Laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

(b) Each of the Mortgages is effective to create in favor of the Lender a legal, valid, binding, and enforceable Lien on the Oil and Gas Properties of the Restricted Persons described therein and the proceeds and products thereof, and when the Mortgages are filed in the designated

recording offices, each Mortgage shall constitute a fully perfected first priority Lien on, and security interest in, all right, title, and interest of such Restricted Person in the Oil and Gas Properties described therein and the proceeds and products thereof, as security for the Obligations, in each case prior and superior in right to any other Person (other than Permitted Liens).

Section 3.6. Financial Statements.

(a) The Parent has heretofore delivered to the Lender true, correct, and complete copies of the Initial Financial Statements. Each of the Initial Financial Statements and all of the other financial statements, information, and materials of the Restricted Persons heretofore delivered, or that will be delivered within ten (10) Business Days of the Closing Date, to any Lender (other than any pro forma financial statements) fairly present in all material respects the Borrower's Consolidated financial position (including its assets and liabilities) as of the date or dates thereof and the Consolidated results of the Borrower's operations and the Borrower's Consolidated cash flows for the period or periods thereof. Each of the Initial Financial Statements and all of the other financial statements, information, and materials of the Restricted Persons heretofore delivered, or that will have been delivered within ten (10) Business Days of the Closing Date, to any Lender, other than pro forma financial statements, were prepared in accordance with GAAP or IFRS (as applicable). All of the financial statements that are pro forma financial statements were prepared in good faith based upon assumptions specified therein with such pro forma adjustments as have been accepted by the Lender. As of the Closing Date, the Restricted Persons have no material Guarantee Obligations, contingent liabilities and liabilities for Taxes, or any long-term leases or unusual forward or long-term commitments, that are not reflected in the Initial Financial Statements or in other written information provided by the Borrower to the Lenders prior to the Closing Date, other than the Obligations. As of the date of the most recent financial statements delivered pursuant to Section 4.2, the Restricted Persons have no material Guarantee Obligations, contingent liabilities and liabilities for Taxes, or any long-term leases or unusual forward or long-term commitments, that are not reflected therein.

(b) Since December 31, 2020, there has been no development or event that has caused or could reasonably be expected to cause a Material Adverse Change.

Section 3.7. Other Obligations and Restrictions. No Restricted Person has any outstanding Liabilities of any kind (including contingent obligations, tax assessments, and unusual forward or long-term commitments) that are, in the aggregate, material to the Borrower or material with respect to the Borrower's Consolidated financial condition and not shown in the Initial Financial Statements or disclosed in Section 3.7 of the Disclosure Schedule or otherwise permitted under Section 5.1. Except as shown in the Initial Financial Statements or disclosed in Section 3.7 of the Disclosure Schedule, no Restricted Person is subject to or restricted by any franchise, contract, deed, charter restriction, or other instrument, restriction, or obligation that could reasonably be expected to cause a Material Adverse Change. No performance of a contractual or other obligation by any Restricted Person, either unconditionally or upon the happening of an event, would result in the creation or imposition of a Lien (other than Permitted Liens) on the property, assets, or revenues of any Restricted Person.

Section 3.8. Full Disclosure. No certificate, report, statement, or other information delivered by any Restricted Person to the Lender in connection with the negotiation of this

Agreement, in connection with any transaction contemplated hereby, or otherwise from time to time delivered hereunder contains any untrue statement of a material fact or omits to state any material fact known to any Restricted Person (other than industry-wide risks normally associated with the types of businesses conducted by the Restricted Persons) necessary to make the statements contained herein or therein not misleading as of the date made or deemed made. There is no fact known to any Restricted Person (other than industry-wide risks normally associated with the types of businesses conducted by the Restricted Persons) that has not been disclosed to the Lender in writing that could reasonably be expected to cause a Material Adverse Change. To the Borrower's knowledge, there are no statements or conclusions in any Engineering Report that are based upon or include misleading information or fail to take into account material information regarding the matters reported therein, it being understood that each Engineering Report is necessarily based upon professional opinions, estimates, and projections and that the Borrower does not warrant that such opinions, estimates, and projections will ultimately prove to have been accurate. To the Borrower's knowledge, (a) each Engineering Report was prepared in good faith and with due care, and the assumptions stated therein or used in the preparation thereof are reasonable, and (b) all of the information furnished by the Restricted Persons to the petroleum engineers for use in the preparation of each Engineering Report was true, correct, and complete in all material respects when furnished. The Borrower has delivered true, correct, and complete copies of the Initial Engineering Report to the Lender.

Section 3.9. Litigation; Adverse Circumstances.

(a) Except as disclosed in Section 3.9 of the Disclosure Schedule: (a) there are no actions, suits, investigations or legal, equitable, arbitrative, or administrative proceedings pending, or, to any Restricted Person's knowledge, threatened, against any Restricted Person or affecting any Collateral before any Governmental Authority that could reasonably be expected cause a Material Adverse Change; (b) there are no outstanding judgments, injunctions, writs, rulings, or orders by any such Governmental Authority against any Restricted Person or any Restricted Person's stockholders, partners, members, directors, or officers or affecting any Collateral or any of its material assets or property that could reasonably be expected to cause a Material Adverse Change; and (c) there are no actions, suits, investigations or legal, equitable, arbitrative, or administrative proceedings or demands pending or, to any Restricted Person's knowledge, threatened that could adversely affect the rights of the Restricted Persons in and to any such Collateral, including any that challenge or otherwise pertain to any Restricted Person's title to such Collateral or the rights to produce and sell Hydrocarbons therefrom.

(b) Neither the business nor any property or asset of any Restricted Person is presently affected by any fire, explosion, accident, strike, lockout, or other dispute, embargo, act of God, act of public enemy or terrorism, or similar event or circumstance, nor has any other event or circumstance relating to any Restricted Person's business, affairs, properties or assets occurred, any of which could reasonably be expected to cause a Material Adverse Change.

Section 3.10. ERISA Plans and Liabilities. All of the currently existing ERISA Plans of the Restricted Persons are listed in Section 3.10 of the Disclosure Schedule. Except as disclosed in Section 3.10 of the Disclosure Schedule, no Termination Event has occurred with respect to any ERISA Plan, and no event or circumstance has occurred or exists that could reasonably be expected to constitute or result in a Termination Event. All ERISA Affiliates are in compliance in all

material respects with ERISA, the Internal Revenue Code, and other applicable Laws with respect to each Plan. No ERISA Affiliate is required to contribute to, or has any other absolute or contingent liability in respect of, any Multiemployer Plan or any ERISA Plan subject to Section 4064 of ERISA. There are no pending or, to the best knowledge of the Borrower, threatened, claims, actions, or lawsuits with respect to any Plan that could reasonably be expected to cause a Material Adverse Change, and there has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has caused or could reasonably be expected to cause a Material Adverse Change. Except as set forth in Section 3.10 of the Disclosure Schedule: (a) the current value of each ERISA Plan's benefits does not exceed the current value of such ERISA Plan's assets available for the payment of such benefits by more than the Threshold Amount; (b) neither the Borrower nor any other ERISA Affiliate is obligated to provide benefits to any retired employees (or their dependents) under any employee welfare benefits plan (as defined in Section 3(1) of ERISA) other than as required by applicable Law; and (c) neither the Borrower nor any other ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA.

Section 3.11. Environmental Laws. Except for such matters that, individually or in the aggregate, could not reasonably be expected to cause a Material Adverse Change, (a) to the Borrower's knowledge, after due inquiry, the conduct of each Restricted Person's business operations and the condition of each Restricted Person's properties or assets owned, operated, or managed by such Restricted Person do not, and the condition of each Restricted Person's properties or assets which are operated or managed by others (including any operator of its Oil and Gas Properties) does not, violate any Environmental Law or any other Governmental Requirement relating primarily to the environment, Hazardous Materials, or health and safety, (b) no Restricted Person has received written notice of, nor are there presently existing, any judicial, administrative, arbitral, or other proceeding (including any notice of violation or alleged violation) under or relating to any Environmental Law or any environmental permit to which any Restricted Person is, or to the Borrower's knowledge, will be, named as a party that is pending or, to the Borrower's knowledge, threatened, (c) no Restricted Person has received any written request for information, or been notified that any Restricted Person is a potentially responsible party, under or relating to any Environmental Law, or with respect to any Hazardous Materials or matters of environmental concern, (d) no Restricted Person has entered into or agreed to any consent decree, order, or settlement or other agreement or undertaking, and no Restricted Person is subject to any judgment, decree, or order or other agreement, in any judicial, administrative, arbitral, or other forum for dispute resolution, relating to compliance with or liability under any Environmental Law or any other Governmental Requirement relating primarily to the environment or Hazardous Materials, and (e) no Restricted Person has assumed or retained, by contract, operation of law, or otherwise, any liabilities of any kind, fixed or contingent, known or unknown, under any Environmental Law or with respect to any Hazardous Materials or matters of environmental concern. Each Restricted Person has made available to the Lender copies of all of the significant (in such Restricted Person's reasonable opinion) reports, correspondence, and other documents in its possession, custody, or control regarding compliance by such Restricted Person or any operator of its Oil and Gas Properties with or potential liability of such Restricted Person or any such operator under Environmental Laws or environmental permits.

Section 3.12. Names and Places of Business. No Restricted Person has, during the five (5) years preceding the Closing Date, been known by, or used any other trade or fictitious name,

except as disclosed in Section 3.12 of the Disclosure Schedule or been organized in a jurisdiction other than its jurisdiction of organization as of the Closing Date.

Section 3.13. Subsidiaries. The Borrower does not have any Restricted Subsidiaries except those listed in Section 3.13 of the Disclosure Schedule (or, in respect of any Restricted Subsidiaries acquired, created, or formed after the Closing Date, those disclosed to the Lender after the date hereof in writing, which disclosure shall be deemed a supplement to Section 3.13 of the Disclosure Schedule). No Restricted Person owns any Equity in any Person except those Persons listed in Section 3.13 of the Disclosure Schedule (or, in respect of any Equity purchased or otherwise acquired after the Closing Date, those Persons disclosed to the Lender after the date hereof in writing, which disclosure shall be deemed a supplement to Section 3.13 of the Disclosure Schedule). The Borrower owns, directly or indirectly, the Equity in each Restricted Subsidiary that is indicated in Section 3.13 of the Disclosure Schedule, as supplemented by disclosures made to the Lender after the date hereof in writing in accordance with the terms hereof.

Section 3.14. Margin Regulations; Investment Company Act; Patriot Act.

(a) No part of the proceeds of any Loans will be used for buying or "carrying" any "margin stock" (as such terms are defined in Regulation U) or for any purpose that violates the provisions of any Governmental Authority. If reasonably requested by the Lender, each Restricted Person will furnish to the Lender a statement to the foregoing effect in conformity with the requirements of FR Form G-3 or FR Form U-1, as applicable, referred to in Regulation U.

(b) No Restricted Person is an "investment company", or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended. No Restricted Person is subject to regulation under any Governmental Requirement that limits its ability to incur Indebtedness, other than Regulation X of the Board of Governors of the Federal Reserve System.

(c) Each Restricted Person is in compliance, in all material respects, with the Patriot Act. No part of the proceeds of the Loans will be used, directly or indirectly, for any payments to any (i) Governmental Authority's officials or employees, (ii) political party, (iii) official of any political party, (iv) candidate for political office, or (v) other Person acting in an official capacity, in each case, in order to obtain, retain, or direct business, or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

Section 3.15. Solvency; Compliance with Financial Covenants. Upon giving effect to the making of the Loans, the execution and delivery of the Loan Documents by the Borrower and each Guarantor, and the consummation of the transactions contemplated hereby and thereby, no Restricted Person will be Insolvent. The Borrower is, and after giving effect to the incurrence of all of the Indebtedness and Obligations being incurred in connection herewith will be and will continue to be, in compliance with each of the financial covenants set forth in Article VI.

Section 3.16. Title to Properties; Licenses. Each Restricted Person has (a) good and defensible title to, or valid leasehold interests in, all of the Oil and Gas Properties covered by the most recently delivered Engineering Report (except to or in any Oil and Gas Properties disposed of in accordance with, and to the extent permitted by, the terms hereof since delivery of such

Engineering Report) and (b) good and defensible title to, or valid leasehold interests in, licenses of, or rights to use, all of the other Collateral owned or leased by such Restricted Person and all of its other material properties and assets necessary or used in the ordinary conduct of its business, in each case free and clear of all Liens, encumbrances, or adverse claims other than Permitted Liens and of all impediments to the use of such properties and assets in such Restricted Person's business, except that no representation or warranty is made with respect to any Oil and Gas Properties to which no Proved Reserves are attributed. Except for changes that arise pursuant to non-consent provisions of operating agreements or other agreements (if any) described in Exhibit A to any Security Document: (x) each Restricted Person owns the net interests in production attributable to the wells and units of such Restricted Person evaluated in the most recently delivered Engineering Report subject to Permitted Liens and (y) the ownership of such properties does not in the aggregate in any material respect obligate such Restricted Person to bear the costs and expenses relating to the drilling, development, and operations of such properties in an amount materially in excess of the working interest of such properties set forth in the most recently delivered Engineering Report that is not offset by a corresponding proportionate increase in such Restricted Person's net revenue interest in such property. Each Engineering Report at any time delivered pursuant to Section 4.2 correctly states the working interests and net revenue interests of the Restricted Persons in the Proved Reserves that are the subject of such Engineering Report as of the date of such report. Except for obligations to contribute a proportionate share of the costs of defaulting co-owners, no Restricted Person is obligated, at any time during the production life of the Oil and Gas Properties, to bear any percentage share of the costs and expenses relating to the drilling, development, and production of such Proved Reserves in excess of such working interests, and (subject to the Loan Documents) each Restricted Person is entitled, at any time during the production life of the Oil and Gas Properties, to receive percentage shares of the revenues from the production of such Proved Reserves that are at least equal to such net revenue interests.

Section 3.17. Use of Proceeds. All of the proceeds of the Loans that have been made, have been used and hereafter will be used in compliance with Section 2.4. The Borrower will not request any Borrowing, and the Borrower shall not use, and shall ensure that the other Restricted Persons and its or their respective directors, managers, officers, employees, and agents shall not use, the proceeds of any Borrowing (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, business, or transaction would be prohibited by Sanctions if conducted by a corporation incorporated in the United States or in a European Union member state, or (c) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

Section 3.18. Leases and Contracts; Performance of Obligations. The leases, contracts, servitudes, and other agreements forming a part of the Oil and Gas Properties of the Restricted Persons covered by the most recently delivered Engineering Report are in full force and effect (except those disposed of in accordance with, and to the extent permitted by, the terms hereof since delivery of such Engineering Report). All of the rents, royalties, and other payments due and payable under such leases, contracts, servitudes, and other agreements, or under any Permitted Liens, or otherwise attendant to the ownership or operation of any Oil and Gas Properties covered by the most recently delivered Engineering Report, have been properly and timely paid (other than

royalty payments suspended in the ordinary course of business and payments for which the amount or validity of which are currently being contested in good faith by appropriate proceedings, and if necessary, for which adequate reserves have been set aside in accordance with GAAP or IFRS (as applicable). No Restricted Person is in default with respect to its obligations (and no Restricted Person is aware of any default by any third party with respect to such third party's obligations) under any such leases, contracts, servitudes, and other agreements, or under any Permitted Liens, or otherwise attendant to the ownership or operation of any part of the Oil and Gas Properties covered by the most recently delivered Engineering Report, where such default could adversely affect the ownership or operation of such Oil and Gas Properties. No Restricted Person is currently accounting for any royalties, or overriding royalties or other payments out of production, on a basis (other than delivery in kind) less favorable to such Restricted Person than proceeds received by such Restricted Person (calculated at the well) from sale of production, and no Restricted Person has any liability (or alleged liability) to account for the same on any such less favorable basis.

Section 3.19. Marketing Arrangements. Except as set forth in Section 3.19 of the Disclosure Schedule, no Oil and Gas Property covered by the most recently delivered Engineering Report is subject to any contractual or other arrangement (a) whereby payment for production is or can be deferred for a substantial period after the month in which such production is delivered (in the case of oil, not in excess of 60 days, and in the case of gas, not in excess of 90 days) or (b) whereby payments are made to a Restricted Person other than by checks, drafts, wire transfers, or other similar writings, instruments, or communications for the immediate payment of money. Except for production sales contracts, processing agreements, transportation agreements, and other agreements relating to the marketing of production that are listed in Section 3.19 of the Disclosure Schedule in connection with the Oil and Gas Properties covered by the most recently delivered Engineering Report to which such contract or agreement relates: (i) no Oil and Gas Property is subject to any contractual or other arrangement for the sale, processing, or transportation of production (or otherwise related to the marketing of production) that cannot be canceled by such Restricted Person on 120 days' (or less) notice or that does not provide for the prices to be paid for such production to float with the market at least as often as monthly, and (ii) all of the contractual or other arrangements for the sale, processing, or transportation of production (or otherwise related to the marketing of production) are bona fide arm's length transactions made on the best terms reasonably available with third parties not affiliated with the Restricted Persons. Each Restricted Person is presently receiving a price for the production from (or attributable to) each Oil and Gas Property covered by the most recently delivered Engineering Report that is subject to a production sales contract or marketing contract that is computed in all material respects in accordance with the terms of such contract, and no Restricted Person is having deliveries of production from any such Oil and Gas Property curtailed materially below such property's delivery capacity, except for curtailments caused (1) by an act or event of force majeure not reasonably within the control of and not caused by the fault or negligence of a Restricted Person and which by the exercise of reasonable diligence such Restricted Person is unable to prevent or overcome, or (2) by routine maintenance requirements in the ordinary course of business.

Section 3.20. Right to Receive Payment for Future Production. Except as set forth in Section 3.20 of the Disclosure Schedule, no Restricted Person, nor any Restricted Person's predecessors in title, has received prepayments (including payments for gas not taken pursuant to "take or pay" or other similar arrangements) for any Hydrocarbons produced or to be produced from any Oil and Gas Properties covered by the most recently delivered Engineering Report after

the date hereof. Except as set forth in Section 3.20 of the Disclosure Schedule, no Oil and Gas Property covered by the most recently delivered Engineering Report is subject to any "take or pay," gas imbalance, or other similar arrangement (a) as a result of which Hydrocarbons produced from such Oil and Gas Property may be required to be delivered to one or more third parties without current payment (or without full payment) therefor or (b) that is determined in whole or in part by reference to the production or transportation of Hydrocarbons from other properties. Except as set forth in Section 3.20 of the Disclosure Schedule, there is no Oil and Gas Property covered by the most recently delivered Engineering Report with respect to which any Restricted Person, or any Restricted Person's predecessors in title, has, prior to the date hereof, taken more ("overproduced"), or less ("underproduced"), gas from the lands covered thereby (or pooled or unitized therewith) than its ownership interest in such Oil and Gas Property would entitle it to take, and Section 3.20 of the Disclosure Schedule accurately reflects, for each well or unit with respect to which such an imbalance is shown thereon to exist, (i) whether such Restricted Person is overproduced or underproduced and (ii) the volumes (in cubic feet or British thermal units) of such overproduction or underproduction and the effective date of such information. Since the Closing Date, no material changes have occurred in such overproduction or underproduction except those that have been reported as required pursuant to Section 4.2. No Oil and Gas Property covered by the most recently delivered Engineering Report is subject to any regulatory refund obligation and, to the best of each Restricted Person's knowledge, no facts exist that might cause the same to be imposed.

Section 3.21. Operation of Oil and Gas Properties. The Oil and Gas Properties covered by the most recently delivered Engineering Report are being (and, to the extent the same could adversely affect the ownership or operation of the Oil and Gas Properties covered by the most recently delivered Engineering Report after the date hereof, have in the past been) maintained, operated, and developed in a good and workmanlike manner, in accordance with prudent industry standards and in conformity with all Governmental Requirements and in conformity with all oil, gas, or other mineral leases and other contracts and agreements forming a part of the Oil and Gas Properties covered by the most recently delivered Engineering Report and in conformity with the Permitted Liens. No Oil and Gas Property covered by the most recently delivered Engineering Report is subject to having allowable production after the date hereof reduced below the full and regular allowable (including the maximum permissible tolerance) because of any overproduction (whether or not the same was permissible at the time) prior to the date hereof and all of the oil and gas wells located on the Oil and Gas Properties covered by the most recently delivered Engineering Report (or properties unitized therewith) have been drilled and completed within the boundaries of the applicable Oil and Gas Properties or within limits otherwise permitted by a valid and enforceable pooling, unit, or other agreement or contract or by applicable Law. There are no dry holes, or otherwise inactive wells, located on the Oil and Gas Properties covered by the most recently delivered Engineering Report or on lands pooled or unitized therewith, except for wells that have been properly plugged and abandoned. Each Restricted Person has all of the licenses, permits, consents, approvals, franchises, and intellectual property (or otherwise possesses the right to use such intellectual property without the violation of the rights of any other Person) necessary or appropriate to own and operate (or cause the operator to operate) its Oil and Gas Properties covered by the most recently delivered Engineering Report, except for those licenses, permits, consents, approvals, franchises, and intellectual property the failure of which to possess could not reasonably be expected to cause a Material Adverse Change. No Restricted Person is in violation, in any material respect, of the terms under which it possesses, or possesses the right to use, any

such licenses, permits, consents, approvals, franchises, and intellectual property. To the Borrower's knowledge, each Person (including each operator of the Oil and Gas Properties) has all of the necessary permits, licenses, consents, and approvals and is in compliance in all material respects with the terms and conditions of all such permits, licenses, consents, and approvals, as well as with all other underlying contracts, documents, and agreements (including the operating agreement between any Restricted Person and any operator of its Oil and Gas Properties). To the extent that the representations and warranties set forth in this section apply or otherwise pertain to Oil and Gas Properties for which no Restricted Person or Affiliate thereof serves as operator under the joint operating agreement, unit operating agreement, or similar arrangement covering such Oil and Gas Properties, such representations and warranties shall be deemed qualified to the Borrower's knowledge.

Section 3.22. Taxes. Each Restricted Person has timely filed, or caused to be timely filed, all federal, state, and other material tax returns (collectively, "Tax Returns") that are required to be filed by such Restricted Person. To the Borrower's knowledge, all such Tax Returns are true and correct in all material respects. Each Restricted Person has timely paid all of the Taxes shown to be due and payable on said Tax Returns and all Taxes imposed such Restricted Person's properties or assets, except for such Taxes (a) the amount or validity of which are currently being contested in good faith by appropriate proceedings, if necessary, and for which adequate reserves have been set aside in accordance with GAAP or IFRS (as applicable), or (b) the failure to pay would not reasonably be expected to have a Material Adverse Change.

Section 3.23. Swap Agreements.

(a) Section 3.23 of the Disclosure Schedule, as of the date hereof or as of the date otherwise set forth therein, sets forth a true and complete list of all of the Hedging Contracts of the Restricted Persons, the material terms thereof (including the type, term, effective date, termination date, and notional amounts or volumes), the net mark to market value thereof, and the counterparty to each such Hedging Contract. The Borrower is a Qualified ECP Guarantor.

(b) The aggregate notional amount of all of the Swap Agreements entered into or executed by the Borrower in connection with the financial terms of this Agreement, will not at the time of entry into such hedges exceed the aggregate principal amount outstanding hereunder, as such amounts may be determined or calculated contemporaneously from time to time during and throughout the term of this Agreement.

(c) Each Swap Agreement entered into or executed in connection with the financial terms of this Agreement has been or will be entered into no earlier than 90 days before and no later than 180 days after the date hereof or of any transfer of principal hereunder.

(d) The purpose of any Swap Agreements in respect of any commodity entered into or executed in connection with this Agreement is to hedge commodity price risks incidental to a Restricted Person's business and arising from potential changes in the price of such commodity.

(e) Each Swap Agreement entered into or executed in connection with this Agreement mitigates against the risk of repayment hereof and is not for the purpose of speculation.

For purposes of this section, the term (i) "financial term" shall include the duration or term of this Agreement, rate of interest, the currency or currencies in which the Loan is made and its principal amount, and (ii) "transfer of principal" means any draw of principal under this Agreement, any amendment, restructuring, extension, or other modification of this Agreement.

Section 3.24. Insurance. The Oil and Gas Properties of each Restricted Person are, to the extent not self-insured in accordance with the terms hereof, insured with financially sound and reputable insurance companies that are not Affiliates of such Restricted Person, in such amounts, with such deductibles, and covering such risks as are required to comply with Section 4.8. As to all improved real property constituting Collateral, (a) such Collateral is insured to the extent required under Section 4.8, (b) the Lender has received such flood hazard determination forms, notices, and confirmations thereof, and effective flood hazard insurance policies (if applicable) with respect to such Collateral on or prior to the Closing Date, (c) all flood hazard insurance policies required hereunder have been obtained and remain in full force and effect, and the premiums due thereon have been paid in full, and (d) except as the Borrower has previously given written notice thereof to the Lender, there has been no redesignation of any property into or out of special flood hazard area. No Restricted Person has been refused insurance for any material coverage for which it has applied or has had any policy of insurance terminated (other than at such Restricted Person's request).

Section 3.25. Anti-Corruption Laws and Sanctions. Each Restricted Person has implemented and maintains in effect policies and procedures designed to ensure compliance by such Restricted Person and its Subsidiaries and their respective directors, managers, officers, employees, and agents with Anti-Corruption Laws and applicable Sanctions. Each Restricted Person and its Subsidiaries and their respective managers, officers, and employees and, to the knowledge of such Restricted Person, their respective 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 Restricted Person being designated as a Sanctioned Person. None of (a) the Restricted Persons and their Subsidiaries or any of their respective managers, officers, or employees or (b) to the knowledge of any Restricted Person, the directors or agents of the Restricted Persons or any Subsidiary of any Restricted Person that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No Borrowing, use of proceeds, or other transaction contemplated by this Agreement will violate any Anti-Corruption Law or applicable Sanctions.

Section 3.26. Not an EEA Financial Institution. No Restricted Person is an EEA Financial Institution.

Section 3.27. Disclosure and Reporting of the Parent.

(a) No portion of the Disclosure Record contains an untrue statement of a material fact as of the date thereof nor does it omit to state a material fact which, at the date thereof, was required to have been stated or was necessary to prevent a statement that was made from being false or misleading in the circumstances in which it was made.

(b) The Consolidated financial statements of the Parent contained in the Disclosure Record are in accordance with the applicable Law, including giving a true and fair view of the

Parent's financial position as at the date thereof comply with IFRS, and no adverse material changes in the financial position of any Credit Party has taken place since the date thereof.

(c) The Parent's auditors are independent chartered accountants and have participant status with the Canadian Public Accountability Board as required under Applicable Securities Legislation and there has never been a reportable disagreement (within the meaning of National Instrument 51-102) between the Parent and the Parent's auditors.

(d) The Parent has in all material respects complied with all continuous disclosure obligations under Applicable Securities Legislation and the rules and regulations of the Exchange and, without limiting the generality of the foregoing, there has not occurred an adverse material change, financial or otherwise, in the assets, liabilities (contingent or otherwise), business, financial condition, capital or prospects of the Borrower and the Borrower's Subsidiaries (taken as a whole) which has not been publicly disclosed on a non-confidential basis; the information and statements in the Disclosure Record were true and correct at the time such documents were filed on SEDAR and contained no misrepresentation as of the respective dates of such information and statements; the Disclosure Record conformed in all material respects to Applicable Securities Legislation at the time such documents were filed on SEDAR; and the Parent has not filed any confidential material change reports which remain confidential as at the date hereof.

ARTICLE IV - Affirmative Covenants

The Borrower, and only with respect to Sections 4.30 to 4.33 additionally the Parent, hereby warrants, covenants, and agrees that until Payment in Full:

Section 4.1. Payment and Performance. Each Restricted Person will pay all of the amounts due under the Loan Documents to which it is a party in accordance with the terms thereof and will observe, perform, and comply with every covenant, term, and condition set forth in the Loan Documents to which it is a party. The Borrower will cause each other Restricted Person to observe, perform, and comply with every such term, covenant, and condition in each Loan Document.

Section 4.2. Books, Financial Statements, and Reports. The Restricted Persons will at all times maintain full and accurate books of account and records in accordance with GAAP or IFRS (as applicable) applied on a consistent basis. The Borrower will maintain, and, if not consolidated with Borrower's will cause each of its Subsidiaries to maintain, a standard system of accounting and its Fiscal Year, and the Borrower will furnish the following notices, reports, statements, and other information to the Lender at the Borrower's expense:

(a) Annual Financial Statements of Borrower and its Subsidiaries. As soon as available, and in any event within one hundred twenty (120) days after the end of each Fiscal Year, complete Consolidated financial statements of the Borrower and each of its Subsidiaries, together with all of the notes thereto, prepared in reasonable detail in accordance with GAAP or IFRS (as applicable) (with drafts to be provided within ninety (90) days after the end of each Fiscal Year). Such financial statements shall contain a Consolidated balance sheet as of the end of such Fiscal Year and Consolidated statements of earnings, cash flows, and changes in owners' equity for such Fiscal Year, each setting forth in comparative form the corresponding figures for the immediately-

preceding Fiscal Year. In addition, if all of the Consolidated Subsidiaries of the Borrower are not Consolidated Restricted Subsidiaries, then, concurrently with the delivery of such financial statements, the Borrower will furnish consolidating financial statements or other consolidating financial information, in a form reasonably acceptable to the Lender, that excludes all of the Unrestricted Subsidiaries and presents the information in such financial statements for the Borrower and its Consolidated Restricted Subsidiaries only.

(b) Quarterly Financial Statements of Borrower and its Subsidiaries. As soon as available, and in any event within sixty (60) days after the end of each Fiscal Quarter, with respect to the Borrower and each of its Subsidiaries, the Consolidated balance sheet as of the end of such Fiscal Quarter and Consolidated statements of earnings and cash flows for such Fiscal Quarter and for the period beginning on the first day of the then current Fiscal Year to the end of such Fiscal Quarter, all in reasonable detail and prepared in accordance with GAAP or IFRS (as applicable), subject to changes resulting from normal year-end adjustments and the absence of footnotes (with drafts to be provided within forty-five (45) days after the end of each Fiscal Quarter). In addition, if all of the Consolidated Subsidiaries of the Borrower are not Consolidated Restricted Subsidiaries, then, concurrently with the delivery of such quarterly financial statements, the Borrower will furnish consolidating financial statements or other consolidating financial information, in a form reasonably acceptable to the Lender, that excludes all of the Unrestricted Subsidiaries and presents the information in such quarterly financial statements for the Borrower and its Consolidated Restricted Subsidiaries only.

(c) Compliance Certificate. Together with each set of financial statements furnished under subsection (a), subsection (b) or subsection (f) of this section, a Compliance Certificate signed by a Responsible Officer of the Borrower (i) stating that such financial statements fairly present in all material respects the results of operations and consolidated financial condition of the Borrower (subject, in the case of unaudited quarterly financial statements, to normal year-end adjustments and the absence of footnotes), (ii) stating that such Responsible Officer has reviewed all of the Loan Documents, (iii) containing in reasonable detail calculations showing compliance (or non-compliance) at the end of such Fiscal Quarter or such Fiscal Year with the requirements of Article VI, and (iv) stating that to the best of the knowledge of the Responsible Officer executing same, no Default exists at the end of such Fiscal Quarter or such Fiscal Year or at the time of delivery of such certificate or, if a Default has occurred and is continuing, a statement specifying the nature and period of existence of any such Default and the action which is proposed to be taken with respect thereto.

(d) Report on Hedging Contracts. Together with each set of financial statements furnished under subsection (a) or subsection (b) of this section, a report (in form reasonably satisfactory to the Lender) describing all of the Hedging Contracts of the Restricted Persons, setting forth the type, term, effective date, termination date, and notional amounts or volumes and the counterparty to each such Hedging Contract.

(e) Production Report and Lease Operating Statements. Together with each set of financial statements furnished under subsection (a) or subsection (b) of this section, a report describing, by lease or unit and on a monthly basis, the gross and net volume of production and sales attributable to production from the properties described in the most recently delivered Engineering Report for the 12-month period ending on the date of such financial statements and

describing the related severance taxes, other taxes, and leasehold operating expenses and capital costs attributable thereto and incurred during such 12-month period.

(f) Parent Annual Financial Statements. As soon as available, and in any event within one hundred twenty (120) days after the end of each Fiscal Year, complete Consolidated financial statements of the Parent together with all of the notes thereto, prepared in reasonable detail in accordance with IFRS, together with an unqualified opinion, based on an audit using generally accepted auditing standards, by an independent certified public accounting firm of nationally recognized standing selected by the Borrower and reasonably acceptable to the Lender, stating that such Consolidated financial statements have been so prepared (with drafts to be provided within ninety (90) days after the end of each Fiscal Year). Such financial statements shall contain a Consolidated balance sheet as of the end of such Fiscal Year and Consolidated statements of earnings, cash flows, and changes in owners' equity for such Fiscal Year, each setting forth in comparative form the corresponding figures for the immediately- preceding Fiscal Year. In addition, if all of the Consolidated Subsidiaries of the Borrower are not Consolidated Restricted Subsidiaries, then, concurrently with the delivery of such audited financial statements, the Borrower will furnish consolidating financial statements or other consolidating financial information, in a form reasonably acceptable to the Lender, that excludes all of the Unrestricted Subsidiaries and presents the information in such audited financial statements for the Borrower and its Consolidated Restricted Subsidiaries only. Statements provided pursuant to this subsection (f) shall also be reconciled on an unaudited basis to U.S. Dollars with regard to the Borrower.

(g) Annual Engineering Report. Within ninety (90) days after the end of each Fiscal Year, a reserve engineering report prepared by the Independent Engineers as of the immediately-preceding December 31 concerning all of the Oil and Gas Properties and interests owned by any Restricted Person that are located in or offshore of the United States and that have attributable to them Proved Reserves. This report shall be in form reasonably satisfactory to the Lender, shall take into account any overproduced or underproduced status under gas balancing arrangements, and shall contain information and analysis comparable in scope to that contained in the Initial Engineering Report. This report shall distinguish (or shall be delivered together with a certificate from an appropriate officer of the Borrower that distinguishes) those properties treated in the report that are Collateral from those properties treated in the report that are not Collateral. Additionally, to facilitate the requirements of Section 2.8 hereof, the Borrower shall provide information, in electronic form and sufficient detail, in support of such engineering report. For other times that Borrower is required to provide data pursuant to Section 2.8, Borrower may prepare such data internally and without an Independent Engineer.

(h) [Intentionally Omitted].

(i) Engineering Report Certificate. Together with each Engineering Report furnished under subsection (g) of this section, an Engineering Report Certificate, in substantially the form of Exhibit D, duly completed and signed by a Responsible Officer of the Borrower.

(j) Annual Cash Flow Budget. Together with each Engineering Report furnished under subsection (g) of this section, an annual cash flow budget for the Parent and Restricted Persons for the then current Fiscal Year, presented on a monthly basis, showing projected

revenues, expenses, capital expenditures, production volumes, and prices (in form reasonably satisfactory to the Lender), prepared by a Responsible Officer of the Borrower.

(k) Information Regarding the Restricted Persons. Promptly after any such change, written notice of any change in (i) any Restricted Person's corporate, company, or partnership name, (ii) the jurisdiction in which any Restricted Person is incorporated, formed, or otherwise organized, (iii) the location of any Restricted Person's principal place of business or chief executive office, (iv) any Restricted Person's identity or corporate, company, or partnership structure, (v) any Restricted Person's federal taxpayer identification number or organizational identification number, or (vi) any other amendment, modification, or supplement to the Organizational Documents of any Restricted Person if such amendment, modification, or supplement is material to the Lender.

(l) Establishment of Deposit Accounts and Securities Accounts. At least ten (10) days' prior written notice (or such shorter notice as the Lender may agree in its discretion) before any Restricted Person opens any Deposit Account or Securities Account (other than any Excluded Account).

(m) Notices of Environmental Matters and the Acquisition or Creation of Subsidiaries. The information in respect of environmental matters and written notice of the acquisition or creation of a Restricted Subsidiary, in each case, as and when required under Section 4.12 or Section 5.14, as applicable.

(n) Material Contracts; Regulatory Filings. Promptly upon its becoming available, copies of any notices or documents received by any Restricted Person pursuant to any Material Contract alleging a material default or nonperformance by such Restricted Person thereunder or terminating or suspending any such Material Contract. Upon the submission of any material regulatory filings by a Restricted Person that are not merely ministerial in nature, copies of any such filings.

(o) Patriot Act. Promptly following any request therefor, information and documentation reasonably requested by the Lender for purposes of compliance with applicable "know your customer" requirements under the Patriot Act or other applicable anti-money laundering laws.

Section 4.3. Other Information and Inspections. Each Restricted Person will furnish to the Lender any information that the Lender may from time to time reasonably request concerning any provision of the Loan Documents, any Collateral, or any matter in connection with the businesses, properties, prospects, financial condition, and operations of any Restricted Person, including all evidence that the Lender from time to time reasonably requests in writing as to the accuracy and validity of or compliance with all of the representations, warranties, and covenants made by any Restricted Person in the Loan Documents, the satisfaction of all of the conditions contained therein, and all other matters pertaining thereto. Each Restricted Person will permit representatives appointed by the Lender (including independent accountants, auditors, agents, attorneys, appraisers, and any other Persons) to visit and inspect during normal business hours, at the Lender's sole expense (unless an Event of Default exists), any of such Restricted Person's property, including its books of account, other books and records, and any facilities or other

business assets, subject to (1) reasonable advance written notice and (2) any bona fide restrictions generally necessitated by pandemic or other health and safety precautions in effect at the time (with such inspection to be undertaken if so requested through virtual means if such restrictions preclude in-person inspection), and to make extra copies therefrom and photocopies and photographs thereof, and to write down and record any information such representatives obtain, and each Restricted Person shall permit the Lender or its representatives to investigate and verify the accuracy of the information furnished to the Lender in connection with the Loan Documents and to discuss all such matters with its officers, employees, and representatives; provided that, other than with respect to such visit and inspections during the continuance of an Event of Default (i) the Lender shall not exercise such rights more often than two times during any calendar year provided, further, that when an Event of Default exists Lender (or any of its respective representatives or independent contractors) may do any of the foregoing under this Section 4.3 at the expense of Borrower and at any time during normal business hours and without advance notice.

Section 4.4. Notice of Material Events. The Borrower will promptly, and in no event later than five (5) Business Days, after becoming aware thereof, notify the Lender in writing, stating that such notice is being given pursuant to this Agreement, of:

(a) the occurrence of any Material Adverse Change;

(b) the occurrence of any Default;

(c) the acceleration of the maturity of any Indebtedness in excess of the Threshold Amount owed by any Restricted Person (other than the Obligations), or the occurrence of any event which, with the giving of notice or the passage of time, or both, would allow any such acceleration, or of the occurrence of any default by any Restricted Person under any indenture, mortgage, agreement, contract, or other instrument to which any of them is a party or by which any of them or any of their properties is bound, if such default could reasonably be expected to cause a Material Adverse Change;

(d) the occurrence of any Termination Event;

(e) any claim exceeding the Threshold Amount, any notice of potential liability of any Restricted Person under any Environmental Laws that might exceed such amount, or any other material adverse claim asserted against any Restricted Person or with respect to any Restricted Person's properties; and

(f) the filing of any suit or proceeding before any Governmental Authority or arbitrator against any Restricted Person in which an adverse decision could reasonably be expected to cause a Material Adverse Change.

Each notice pursuant to this section shall be accompanied by a statement of a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein and stating what action, if any, any Restricted Person has taken or proposes to take with respect thereto.

Section 4.5. Maintenance of Properties. Each Restricted Person will maintain, preserve, protect, and keep all of the Collateral and all of the other property used or useful in the conduct of its business in good condition (ordinary wear and tear excepted) in accordance with prudent

industry standards, and in material compliance with all applicable Laws, in conformity with all applicable contracts, servitudes, leases, and agreements, and will from time to time make all repairs, renewals, and replacements needed to enable the business and operations carried on in connection therewith to be promptly and advantageously conducted at all times.

Section 4.6. Maintenance of Existence and Qualifications. Except pursuant to a transaction permitted by Section 5.4, each Restricted Person will maintain and preserve its existence and its rights and franchises in full force and effect and will qualify to do business in all of the states or jurisdictions where any of its properties that are subject to a Mortgage are located.

Section 4.7. Payment of Trade Liabilities, Taxes, Etc.. Each Restricted Person will (a) timely file all Tax Returns, (b) timely pay all Taxes imposed upon it or upon its income, profits, or property unless such Taxes are being contested in good faith by appropriate proceedings, if necessary, and for which adequate reserves have been set aside in accordance with GAAP or IFRS (as applicable), (c) within ninety (90) days past the original invoice billing date therefor, or, if earlier, when due in accordance with its terms, pay and discharge all of the Liabilities owed by it on ordinary trade terms to vendors, suppliers, and other Persons providing goods and services used by it in the ordinary course of its business, (d) pay and discharge before the same becomes delinquent all of the other Liabilities now or hereafter owed by it, other than royalty payments suspended in the ordinary course of business, and (e) maintain appropriate accruals and reserves for all of the foregoing in accordance with GAAP or IFRS, as applicable. Each Restricted Person may, however, delay paying or discharging any of the foregoing so long as it is in good faith contesting the validity thereof by appropriate proceedings, if necessary, and has set aside on its books adequate reserves therefor that are required by GAAP or IFRS, as applicable.

Section 4.8. Insurance.

(a) Required Insurance. Each Restricted Person will maintain in full force and effect (i) property insurance on all of the real and personal property included in the Collateral on an all-risks basis (including the perils of flood and quake) covering the repair and replacement cost of all such property, (ii) insurance coverage for commercial general liability insurance (including products/completed operations liability coverage), in each case of the kinds customarily carried or maintained by Persons of established reputation engaged in similar businesses and in amounts and with deductibles reasonably acceptable to the Lender, and (iii) such other insurance coverage in such amounts and with respect to such risks as the Lender may reasonably request. All such insurance shall be provided by financially sound and reputable insurance companies not Affiliates of the Borrower and having a minimum A.M. Best rating of A, size category VII. On or prior to the Closing Date, and at all times thereafter, the Restricted Persons will cause the Lender to be named as an additional insured to the commercial general liability policy and loss payee (which shall include, as applicable, identification as mortgagee), as applicable, on the property policy required to be maintained pursuant to this Section 4.8(a) pursuant to endorsements, if applicable, in form and content reasonably acceptable to the Lender. If a Restricted Person is unable to obtain any such insurance at an annual premium rate that is reasonably equivalent to such Restricted Person's annual premium rate as of the Closing Date, the insurance requirements set forth in this section may be satisfied by such Restricted Person's maintenance of a reasonable and customary self-insurance program that is satisfactory to the Lender in its reasonable discretion. The Borrower will deliver to the Lender (i) on or before the Closing Date, a certificate from the Restricted

Persons' insurance broker dated as of a recent date showing the amount of coverage as of such recent date, and that such policies will include effective waivers (whether under the terms of any such policy or otherwise) by the insurer of all rights of subrogation against the loss payees and additional insureds, and that if all or any part of such policy is canceled, the insurer will forthwith give notice thereof to each additional insured and loss payee, (ii) upon the request of the Lender from time to time, full information as to the insurance carried, (iii) within ten (10) days after receipt of any such notice from any insurer, a copy of any notice of cancellation, nonrenewal, or material change in coverage from that existing on the Closing Date, and (iv) immediately, notice of any cancellation or nonrenewal of coverage by any Restricted Person. In the event the Borrower fails to provide the Lender with evidence of the insurance coverage required by this Agreement, the Lender may purchase insurance at the Restricted Persons' expense to protect the Lenders' interest in the Collateral after providing notice thereof to the Borrower. The coverage purchased by the Lender may, but need not, protect the Restricted Persons' interests. The Borrower may later cancel any insurance purchased by the Lender, but only after providing the Lender with evidence that the Restricted Persons have obtained insurance as required by this Agreement. If the Lender purchases insurance for the Collateral, to the fullest extent provided by Law, the Restricted Persons will be responsible for the costs of that insurance, including interest and other charges imposed by the Lender in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to the Obligations. The Borrower acknowledges that the costs of insurance purchased by the Lender may be more than the cost of insurance that the Borrower would be able to obtain on its own.

(b) Compliance With Insurance Conditions. No Restricted Person will bring or keep any article on the Collateral subject to a Mortgage, or cause or allow any condition to exist, if the presence of such article or the occurrence of such condition could reasonably cause the invalidation of any insurance required by this Section 4.8 or would otherwise be prohibited by the terms thereof.

(c) Communications. All of the written communications, documents, certificates of insurance, or other material relating to insurance sent to the Lender shall be delivered to the Lender's address pursuant to the notice provisions contained in Section 11.3.

Section 4.9. Performance on the Borrower's Behalf. If any Restricted Person fails to pay any taxes, insurance premiums, expenses, attorneys' fees, or other amounts it is required to pay under any Loan Document, the Lender may pay the same. The Borrower shall immediately reimburse the Lender for any such documented or invoiced payments and each amount paid by the Lender shall constitute an Obligation owed hereunder that is due and payable on the date such amount is paid by the Lender.

Section 4.10. [Reserved].

Section 4.11. Compliance with Agreements and Law. Each Restricted Person will observe, perform, and comply with all of the material obligations it is required to perform under the terms of each indenture, mortgage, deed of trust, security agreement, lease, franchise, agreement, contract, or other instrument or obligation to which it is a party or by which it or any of its properties is bound, except to the extent a failure to so comply could not reasonably be expected to cause a Material Adverse Change. Each Restricted Person will conduct its business and affairs in compliance with all Laws applicable thereto, except to the extent a failure to so

comply could not reasonably be expected to cause a Material Adverse Change. Each Restricted Person will cause all of the licenses and permits necessary or appropriate for the conduct of its business and the ownership and operation of its property used and useful in the conduct of its business to be at all times maintained in good standing and in full force and effect, except to the extent a failure to so comply could not reasonably be expected to cause a Material Adverse Change. Each Restricted Person will maintain in effect and enforce policies and procedures designed to ensure compliance by such Restricted Person, its Subsidiaries, and their respective directors, managers, officers, employees, and agents with Anti-Corruption Laws and applicable Sanctions.

Section 4.12. Environmental Matters; Environmental Reviews. Each Restricted Person: (a) will comply in all material respects with any and all applicable Environmental Laws; (b) will not cause or permit to exist, as a result of an intentional or unintentional action or omission on any Restricted Person's part, or on the part of any third party, on any Oil and Gas Property any environmental activity where damage may result to the environment, unless such environmental activity is pursuant to and in compliance with the conditions of a permit issued by an appropriate Governmental Authority or is otherwise in compliance with Environmental Laws; and (c) will furnish to the Lender promptly and in any event within thirty (30) days after receipt thereof a copy of any notice, summons, lien, citation, directive, letter, or other written communication from any Governmental Authority concerning any intentional or unintentional action or omission on any Restricted Person's part in connection with any environmental activity whether or not there is damage to the environment and/or other natural resources that could reasonably be expected to necessitate remedial action costing more than the Threshold Amount. The Borrower will promptly conduct and complete at the Borrower's expense such environmental investigations and testings on the Oil and Gas Properties as may be reasonably requested by the Lender or required or requested by any Governmental Authority.

Section 4.13. Evidence of Compliance. Each Restricted Person will furnish to the Lender at such Restricted Person's or the Borrower's expense all evidence that the Lender from time to time reasonably requests in writing as to the accuracy and validity of or compliance with all representations, warranties, and covenants made by any Restricted Person in the Loan Documents, the satisfaction of all conditions contained therein, and all other matters pertaining thereto.

Section 4.14. Guaranties of the Borrower's Restricted Subsidiaries. Each Restricted Subsidiary existing on the Closing Date or created, acquired, or coming into existence after such date shall, promptly and in any event within thirty (30) days after it has become a Restricted Subsidiary, execute and deliver to the Lender an absolute and unconditional guaranty of the timely repayment of the Obligations and the due and punctual performance of the obligations of the Borrower hereunder, which guaranty shall be reasonably satisfactory to the Lender in form and substance; provided, however, that notwithstanding anything in this Agreement or any Security Document to the contrary, no Guarantor shall guarantee (or grant a Lien to support, as applicable) any Excluded Swap Obligations of such Guarantor for purposes of determining any obligations of such Guarantor. The Borrower will cause each of its Restricted Subsidiaries to deliver to the Lender, simultaneously with its delivery of such a guaranty, written evidence reasonably satisfactory to the Lender and its counsel that such Restricted Subsidiary has taken all action necessary to duly approve and authorize its execution, delivery, and performance of such guaranty and any other documents that it is required to execute.

Section 4.15. Agreement to Deliver Security Documents.

(a) The Obligations shall, at all times, be secured by first and prior Liens (subject only to Permitted Liens) covering and encumbering (i) Oil and Gas Properties with an aggregate value of at least the Collateral Value, (ii) all of the Equity in each Restricted Subsidiary, and (iii) substantially all of the other personal property of the Restricted Persons (other than any Excluded Equity Interest); provided, however, that notwithstanding anything in this Agreement or any Security Document to the contrary, no Guarantor shall grant a Lien to support any Excluded Swap Obligations of such Guarantor for purposes of determining any obligations of such Guarantor.

(b) On the Closing Date, the Borrower shall execute and deliver, and shall cause each other Restricted Person to execute and deliver, to the Lender Security Documents complying with Section 4.15(a), each in form and substance reasonably acceptable to the Lender. From time to time to the extent necessary to comply with Section 4.15(a), and in any event on each Determination Date, the Borrower shall execute and deliver, and shall cause each other Restricted Person to execute and deliver, to the Lender Security Documents in form and substance reasonably acceptable to the Lender, together with such other assignments, conveyances, amendments, agreements, and other writings (each duly authorized and executed) as the Lender shall reasonably deem necessary or appropriate, to grant, evidence, and perfect the Liens required by this Section 4.15.

(c) The Borrower also agrees to deliver, at the time that any Security Documents are required to be delivered under Section 4.15(b), favorable title opinions, or updates of title opinions, from legal counsel acceptable to the Lender (or title reports or other title information reasonably satisfactory to the Lender) covering enough of the Oil and Gas Properties so that the Lender shall have received, together with title information previously delivered to the Lender, reasonably satisfactory title information on the Minimum Title Amount, and confirming that the Restricted Persons have good and defensible title to such Oil and Gas Properties, free and clear of all Liens other than Permitted Liens.

(d) Within sixty (60) days after (i) a request by the Lender to the Restricted Persons to cure any material title defects or exceptions that are not Permitted Liens or (ii) a notice by the Lender to the Restricted Persons that the Restricted Persons have failed to comply with Section 4.15(c), the Restricted Persons shall (A) cure such title defects or exceptions that are not Permitted Liens and (B) deliver to the Lender satisfactory evidence in form and substance reasonably acceptable to it as to each Restricted Person's ownership of such Oil and Gas Properties and the Lender's Liens thereon as are required to maintain compliance with Section 4.15(c).

(e) If the Restricted Persons are unable to cure any such title defect requested by the Lender to be cured within such 60-day period or the Restricted Persons do not comply with the requirements to provide acceptable title information as required under Section 4.15(c) or Section 4.15(d), such failure shall be a Default.

Section 4.16. Production Proceeds. Notwithstanding that, by the terms of the Mortgages, the Restricted Persons are and will be assigning to the Lender, for the benefit of the Persons described therein, all of the "Production Proceeds" (as defined therein) accruing to the property covered thereby, so long as no Event of Default has occurred and is continuing, the Restricted

Persons may continue to receive from the purchasers of production such Production Proceeds, subject, however, to the Liens created under the Security Documents, which Liens are hereby affirmed and ratified. During the continuance of an Event of Default, the Lender may exercise any and all rights and remedies granted under the Security Documents subject to the terms thereof, including the right to obtain possession of any or all of the Production Proceeds then held by the Restricted Persons or to receive directly from the purchasers of production all of the other Production Proceeds. In no case shall any failure, whether intentioned or inadvertent, by the Lender to collect directly any such Production Proceeds constitute in any way a waiver, remission, or release of any rights of the Lender under the Security Documents, nor shall any release of any Production Proceeds by the Lender to the Restricted Persons constitute a waiver, remission, or release of any other Production Proceeds or of any rights of the Lender to collect other Production Proceeds thereafter.

Section 4.17. Perfection and Protection of Security Interests and Liens. Each Restricted Person shall from time to time deliver to the Lender any financing statements, continuation statements, extension agreements, amendments to Security Documents, and other documents, properly completed and executed (and acknowledged when required) by such Restricted Person in form and substance reasonably satisfactory to the Lender, which the Lender reasonably requests for the purpose of (a) perfecting, confirming, or protecting any Liens or other rights in any Collateral securing any Obligations and (b) maintaining compliance in all material respects with applicable Laws, including those of any applicable Indian tribe, the Bureau of Indian Affairs, and the U.S. Bureau of Land Management. Each Restricted Person hereby authorizes the Lender to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral describing the Collateral as "all assets" without the signature of any Restricted Person.

Section 4.18. Leases and Contracts; Performance of Obligations. Each Restricted Person will maintain in full force and effect all of the oil, gas, or mineral leases, contracts, servitudes, and other agreements forming a part of any Oil and Gas Property covered by the most recently delivered Engineering Report, to the extent the same cover or otherwise relate to such Oil and Gas Property (except those disposed of in accordance with, and to the extent permitted by, the terms hereof), and each Restricted Person will timely perform all of its obligations thereunder. Each Restricted Person will properly and timely pay all rents, royalties, and other material payments due and payable under any such leases, contracts, servitudes, and other agreements, or under the Permitted Liens, or otherwise attendant to its ownership or operation of any Oil and Gas Property (other than royalty payments suspended in the ordinary course of business). Each Restricted Person will promptly notify the Lender of any claim (or any conclusion by such Restricted Person) that such Restricted Person is obligated to account for any royalties, or overriding royalties or other payments out of production, on a basis (other than delivery in kind) less favorable to such Restricted Person than proceeds received by such Restricted Person (calculated at the well) from sale of production.

Section 4.19. [Reserved].

Section 4.20. Hedging Contracts. Each Restricted Person shall maintain in effect for their full term (and will not sell, assign, transfer, terminate, or novate) all of the Hedging Contracts in respect of crude oil, natural gas, and natural gas liquids that were used by the Lender in determining

the Collateral Value then in effect, including all of the Hedging Contracts in existence on the Closing Date; provided, however, that the Restricted Persons may terminate Hedging Contracts in connection with a Disposition permitted pursuant to Section 5.5(g).

[Reserved].

Section 4.22. Material Contracts. Each Restricted Person will perform and observe in all material respects all of the terms and provisions of each Material Contract to be performed or observed by it within any grace period applicable thereto and, in accordance with prudent business practices, enforce its rights under each Material Contract, and, upon request by the Lender, make to each other party to each such Material Contract such requests for information and reports as any Restricted Person is entitled to make under such Material Contract, except, in any case, where the failure to do so, either individually or in the aggregate, could not reasonably be expected to cause a Material Adverse Change.

Section 4.23. Operations. Each Restricted Person shall maintain executive and management personnel with substantially the same qualifications and experience as the present executive and management personnel, and conduct its business affairs in a reasonable and prudent manner.

Section 4.24. Employee Benefit Plans. Each Restricted Person will maintain each employee benefit plan as to which such Restricted Person may have any liability in material compliance with all applicable requirements of Law.

Section 4.25. Deposit Accounts and Securities Accounts. The Borrower will not, and will not permit any other Restricted Person to, open, establish, or otherwise maintain any Deposit Account or Securities Account, other than Deposit Accounts and Securities Accounts (other than Excluded Accounts): (a) on which the Lender has been granted a Lien and (b) that are subject to a Deposit Account Control Agreement or to a Securities Account Control Agreement, as applicable.

Section 4.26. Commodity Exchange Act Keepwell Provisions. The Borrower hereby absolutely, unconditionally, and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Restricted Person that is not otherwise a Qualified ECP Guarantor in order for such Restricted Person to honor its obligations under any Loan Document with respect to Swap Agreements or Swap Obligations (provided, however, that the Borrower shall only be liable under this section for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this section, or otherwise under this Agreement or any other Loan Document, voidable under applicable Law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of the Borrower under this section shall remain in full force and effect until Payment in Full. The Borrower intends that this section constitute, and this section shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each Guarantor for all purposes of section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

Section 4.27. Unrestricted Subsidiaries. The Borrower:

(a) will cause the management, business, and affairs of each of the Borrower and its Restricted Subsidiaries to be conducted in such a manner (including by keeping separate books of

account, furnishing separate financial statements of the Unrestricted Subsidiaries to creditors and potential creditors thereof and by not permitting assets or properties of the Borrower and its Restricted Subsidiaries to be commingled) so that each Unrestricted Subsidiary will be treated as an entity that is separate and distinct from the Borrower and its Restricted Subsidiaries.

(b) will not, and will not permit any Restricted Subsidiary to, incur, assume, guarantee, or be or become liable for any Indebtedness of any Unrestricted Subsidiary.

(c) will not permit any Unrestricted Subsidiary to acquire or otherwise hold any Equity in, or any Indebtedness of, the Borrower or any Restricted Subsidiary.

Section 4.28. Post-Closing Obligations. At any time that, and for so long as any Obligations remain outstanding, the Borrower will cause the Parent to permit the Lender or a person designated by the Lender (the "Observer"), to attend all meetings of the Parent's board of directors and any committees of such board of directors as an observer and such board or the applicable committee, shall furnish to such Observer, at the same time and in the same manner as furnished to the directors of the Parent or members of such committee, notice of each such meeting, including such meeting's time and place, and any other materials relevant to such meeting as provided to the directors of the Parent or members of the applicable committee; provided, that, Observer shall keep all information received or observed in his or her capacity as the Observer confidential to the same extent as the Observer would be obligated to do as a director of the Parent; provided, further, that the Parent reserves the right to exclude the Observer from access to any material or meeting or portion thereof if the Parent believes upon advice of counsel that such exclusion is reasonably necessary to preserve the attorney-client privilege.

Section 4.30. Securities Reporting of the Parent. The Parent shall timely file all documents that must be publicly filed or sent to its shareholders pursuant to Applicable Securities Legislation within the time prescribed by such Applicable Securities Legislation and make such documents available on SEDAR within such prescribed time period.

Section 4.31. Exchange Listing. The Parent shall take all reasonable steps and actions as may be required to maintain the listing and posting for trading of the Parent's common shares on the Exchange or the TSX Venture Exchange and to maintain its status as a "reporting issuer," or the equivalent thereof not in default of the requirements of the Applicable Securities Legislation in the Reporting Jurisdictions.

Section 4.32. Discharge of RBC. On or before forty-five (45) days after the Closing Date, the Parent or Borrower, as the case may be, will cause the complete discharge of that certain Registration in the Alberta Personal Property Registry filed as [redacted].

Section 4.33. Within two (2) Business Days following the Closing Date, the Parent shall have transferred to the Borrower all proceeds derived from its issues of Equity during the 30 (thirty) day period ending on the Closing Date, less reasonable, documented, third-party, arm's length costs directly connected with such Equity issues, in an amount no less than $[redacted]. Furthermore, within two (2) Business Days following the Closing Date, the Parent shall provide a full accounting of such Equity issues and related issue costs, as herein described, as well as any

foreign currency transactions required to be executed, to substantiate that the conditions of this Section 4.33 have been satisfied.

Section 4.34. Alabama Mortgage. On or before forty-five (45) days after the Closing Date, the Borrower will cause (a) the appropriate title-holding Subsidiary to execute a mortgage in favor of the Lender for the Oil and Gas Properties held by such Subsidiary in Conecuh County, Alabama, and (b) the recording of such mortgage in the appropriate filing office in Conecuh County, Alabama.

ARTICLE V - Negative Covenants

The Borrower, and only with respect to Sections 5.16 and 5.17 additionally the Parent, hereby warrants, covenants, and agrees that until Payment in Full:

Section 5.1. Indebtedness. No Restricted Person will in any manner owe or be liable for Indebtedness, except:

(a) the Obligations;

(b) Indebtedness arising under Hedging Contracts permitted under Section 5.3;

(c) Indebtedness among the Borrower and Restricted Subsidiaries that are Guarantors; provided that all such Indebtedness shall be unsecured and subordinated in right of payment to the payment in full of all of the Secured Obligations in a manner and on terms and conditions reasonably satisfactory to the Lender;

(d) Disqualified Capital Stock issued or awarded prior to the Closing Date pursuant to employee incentive plans of the Restricted Persons;

(e) Disqualified Capital Stock issued or awarded on or after the Closing Date pursuant to and in accordance with Section 5.6(d);

(f) purchase money Indebtedness and Capital Lease Obligations not to exceed $500,000.00 in the aggregate at any time outstanding;

(g) Guarantees by the Borrower or any Restricted Subsidiaries of any Indebtedness permitted under this Section 5.1; provided that Guarantees permitted under this clause (g) shall be subordinated to the Obligations on terms reasonably satisfactory to the Lender;

(h) Indebtedness owed to any Person providing workers' compensation, health, disability or other employee benefits or property, casualty or liability insurance, pursuant to reimbursement or indemnification obligations to such Person, in each case incurred in the ordinary course of business;

(i) Indebtedness associated with bonds or other surety obligations required by Governmental Authorities in connection with the operation of the businesses of Borrower and its Subsidiaries;

(j) Indebtedness of Borrower or any Restricted Subsidiaries incurred in the ordinary course of business to finance the payment of insurance premiums for a 12 month period (or less) for insurance; and

(k) other items of Indebtedness that are not described in subsections (a) through (j) of this section and that do not in the aggregate (taking into account all such Indebtedness of all of the Restricted Persons) exceed $500,000.00 at any one time outstanding; provided, however, that the aggregate amount of all such Indebtedness that is secured shall not exceed $250,000.00 at any one time outstanding.

Section 5.2. Limitation on Liens. Except for Permitted Liens, no Restricted Person will create, assume, or permit to exist any Lien upon any of the properties or assets that it now owns or hereafter acquires.

Section 5.3. Hedging Contracts. No Restricted Person will be a party to or in any manner be liable on any Hedging Contract, except:

(a) Commodities. Hedging Contracts (excluding Floor Contracts covered by the following subsection (b)) entered into with the purpose and effect of fixing prices on crude oil or natural gas expected to be produced by the Restricted Persons and not for speculative purposes; provided that at all times: (i) no such Hedging Contract fixes a price for a period later than thirty-six (36) months after such Hedging Contract is entered into; (ii) the aggregate monthly production covered by all such Hedging Contracts (determined, in the case of Hedging Contracts that are not settled on a monthly basis, by a monthly proration acceptable to the Lender) for any single month does not in the aggregate exceed eighty percent (80%) of the Projected PDP Oil and Gas Production anticipated (at the time such Hedging Contract is entered into) to be sold in the ordinary course of the businesses of the Restricted Persons for such month, determined separately with respect to crude oil and natural gas; (iii) except for the Collateral under the Security Documents with respect to the Lender Hedging Obligations, no such Hedging Contract requires any Restricted Person to put up money, assets, or other security against the event of its nonperformance prior to actual default by such Restricted Person in performing its obligations thereunder; and (iv) each such Hedging Contract is with an Approved Counterparty;

(b) Floor Contracts. Floor Contracts with respect to crude oil or natural gas entered into not for speculative purposes; provided that: (i) no such Floor Contract has a term of more than thirty-six (36) months after such Floor Contract is entered into; (ii) the aggregate monthly production covered by all such Floor Contracts for any single month does not in the aggregate exceed eighty percent (80%) of the Projected PDP Oil and Gas Production anticipated (at the time such Floor Contract is entered into) to be sold in the ordinary course of the businesses of the Restricted Persons for such month, determined separately with respect to crude oil and natural gas; and (iii) each such Floor Contract is with an Approved Counterparty; and

(c) Interest Rates. Hedging Contracts entered into by a Restricted Person with the purpose and effect of fixing interest rates on a principal amount of indebtedness of such Restricted Person that is accruing interest at a variable rate and not for speculative purposes; provided that: (i) no such Hedging Contract shall have a tenor that extends beyond the maturity of the Indebtedness that such Hedging Contract is intended to hedge; (ii) at the time such Hedging

Contract is entered into, the aggregate notional amount of such Hedging Contracts does not exceed eighty percent (80%) of the anticipated outstanding principal balance of the indebtedness to be hedged by such Hedging Contracts or an average of such principal balances calculated using a generally accepted method of matching interest swap contracts to declining principal balances; (iii) the floating rate index of each such Hedging Contract generally matches the index used to determine the floating rates of interest on the corresponding indebtedness to be hedged by such Hedging Contract; (iv) no such Hedging Contract requires any Restricted Person to put up money, assets, or other security against the event of its nonperformance prior to actual default by such Restricted Person in performing its obligations thereunder; and (v) each such Hedging Contract is with an Approved Counterparty.

Section 5.4. Limitation on Mergers, Issuances of Securities. No Restricted Person will merge or consolidate with or into any other Person, except that any Restricted Subsidiary may be merged into or consolidated with (a) any Subsidiary of the Borrower, so long as a Restricted Subsidiary that is a Guarantor is the surviving business entity, or (b) the Borrower, so long as the Borrower is the surviving business entity. No Restricted Person shall issue any Disqualified Capital Stock, except as permitted by Section 5.1(d), Section 5.1(e), and/or Section 5.6(d).

Section 5.5. Limitation on Dispositions. No Restricted Person will Dispose of any of its assets or properties or any interest therein, except:

(a) equipment that is worthless or obsolete or worn out in the ordinary course of business, that is no longer used or useful in the conduct of its business, or that is replaced by equipment of equal suitability and value;

(b) inventory (including oil and gas sold as produced and geologic and seismic data) that is sold in the ordinary course of business on ordinary trade terms;

(c) (i) any Equity in any Restricted Subsidiary that is transferred to the Borrower or to any Restricted Subsidiary that is a Guarantor and (ii) any Excluded Equity Interest;

(d) property of (i) the Borrower that is transferred to any Restricted Subsidiary that is a Guarantor and (ii) any Restricted Subsidiary that is a Guarantor that is transferred to the Borrower or to any other Restricted Subsidiary that is a Guarantor;

(e) interests in Oil and Gas Properties, or portions thereof, to which no Proved Reserves are attributed; provided that the aggregate fair market value of such interests disposed of does not exceed the Threshold Amount during any Fiscal Year;

(f) Dispositions consisting of any compulsory pooling or unitization ordered by a Governmental Authority with jurisdiction over Borrower's or any of its Subsidiaries' Oil and Gas Properties;

(g) interests in Oil and Gas Properties to which Proved Reserves are attributed and Hedging Contracts; provided that such Disposition would not result in the Collateral Value of all of the Oil and Gas Properties plus the Collateral Value of all of the Hedging Contracts, in each case, Disposed of pursuant to this subsection since the most recent Collateral Value determination to exceed an amount greater than 5% of the then-outstanding principal of all Loans;

(h) sales, transfers and Dispositions or the compromise or settlement of accounts receivable in connection with the compromise, settlement or collection thereof in the ordinary course of business (and not as part of a bulk sale or receivables financing);

(i) licenses, sublicenses, leases or subleases granted to third parties in the ordinary course of business not interfering with the business of Borrower or its Subsidiaries and not affecting any Oil and Gas Properties;

(j) Dispositions otherwise made constituting Permitted Investments under Section 5.7;

(k) Distributions permitted under section 5.6;

(l) defaulted notes and accounts receivable in connection with the compromise and collection thereof and not in connection with any financing transaction; and

(m) other Dispositions not to exceed $50,000 in the aggregate in any Fiscal Year.

No Disposition may be made pursuant to Section 5.5(e) or Section 5.5(g) unless (i) made for fair consideration to a Person who is not an Affiliate and (ii) no Default then exists or would result therefrom. No Restricted Person will abandon, or consent to the abandonment of, any oil or gas well constituting Collateral so long as such well is capable (or is subject to being made capable through drilling, reworking, or other operations that it would be commercially feasible to conduct) of producing oil, gas, or other hydrocarbons or other minerals in commercial quantities (as determined without considering the effect of any Security Document).

Section 5.6. Limitation on Distributions. No Restricted Person will declare or make directly or indirectly any Distribution, other than:

(a) Distributions by any Restricted Person to the holders of its Equity of additional Equity in such Restricted Person (other than Disqualified Capital Stock) or of Excluded Equity Interests;

(b) Distributions payable to the Borrower, and Distributions payable to any Restricted Subsidiary that is a Guarantor;

(c) so long as no Default exists or will exist after giving effect thereto, Borrower may make Permitted Tax Distributions; and

(d) Disqualified Capital Stock issued or awarded pursuant to employee incentive plans of the Restricted Persons; provided that: (i) on the date of each such issuance or award and immediately after giving effect thereto, the Borrower is in compliance on a pro forma basis with Section 6.1 and Section 6.2 (calculated based on the financial statements most recently delivered pursuant to Section 4.2(a) or Section 4.2(b), as applicable) (and the Borrower shall, on or prior to such date, deliver to the Lender a certificate from a Responsible Officer of the Borrower in form and detail reasonably satisfactory to the Lender demonstrating compliance with this clause (i)); (ii) no Default then exists or would result therefrom; and (iii) the conditions set forth in the preceding clauses (i) and (ii) must also be satisfied on the date of each payment made by any Restricted

Person with respect to such Disqualified Capital Stock and immediately after giving effect thereto (and the terms thereof must be made expressly subject to such payment conditions).

Section 5.7. Limitation on Investments and New Business. No Restricted Person will (a) make any expenditure or commitment or incur any obligation or enter into or engage in any transaction except in the ordinary course of business, (b) engage directly or indirectly in any business or conduct any operations except the exploration, production, and development of Oil and Gas Properties, together with activities incidental or related thereto, or (c) make any Investments other than Permitted Investments. The Restricted Persons will not acquire 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 5.8. Proceeds of Loans; Sale of Notes or Receivables. The Borrower will not permit the proceeds of the Loans to be used for any purpose other than those permitted by the terms hereof. Except as permitted under Section 5.5, the Restricted Persons shall not sell (with or without recourse) any of their notes receivable or accounts receivable to any Person other than a Restricted Person.

Section 5.9. Transactions with Affiliates. No Restricted Person will engage in any transaction with any of its Affiliates (other than any other Restricted Person), except (a) in the ordinary course of and pursuant to the reasonable business requirements of such Restricted Person's business and upon fair and reasonable terms that are no less favorable to it than those that would have been obtainable at the time in arm's-length dealing with Persons other than such Affiliates (b) advances of cash or other assets, to Borrower by any of the Restricted Persons, or by, to or among any of Borrower and its Restricted Subsidiaries that are Guarantors or any combination of any of the foregoing, (c) pursuant to the Management Services Agreement as in effect on the Closing Date and as amended from time to time with the Lender's consent not to be unreasonably withheld, and (d) intercompany transactions by, to or among any of Borrower and its Subsidiaries that are Guarantors or any combination of any of the foregoing, consisting of cost allocations, shared or other services charges, and intercompany overhead allocations, which do not adversely affect the validity, perfection or priority of Lender's Liens on any Collateral.

Section 5.10. Prohibited Contracts. Except as expressly provided for in the Loan Documents, no Restricted Person will, directly or indirectly, enter into, create, or otherwise allow to exist any contractual restriction or other consensual restriction (other than under the Loan Documents or any agreements relating to Capital Lease Obligations or purchase money obligations permitted by this Agreement) on the ability of any Restricted Person: (a) to pay dividends or make other distributions to any other Restricted Person; (b) to redeem Equity held in it by any other Restricted Person; (c) to repay loans and other indebtedness owing by it to any other Restricted Person; or (d) to transfer any of its assets to any other Restricted Person, other than, in each case, (i) any prohibition or limitation that exists pursuant to the applicable requirements of a Governmental Authority, (ii) any customary provisions in leases, licenses, and similar contracts as they affect any property or Lien subject to, or the assignment of, such lease, license, or similar contract, or (iii) any customary restrictions imposed on particular properties in agreements entered into for a sale of such properties permitted by Section 5.5 pending the closing of such sale. No Restricted Person will enter into any "take-or-pay" contract or other contract or arrangement for the purchase of goods or services that obligates it to pay for such goods or service regardless of

whether they are delivered or furnished to it. No Restricted Person will amend or permit any amendment to any contract or lease that releases, qualifies, limits, makes contingent, or otherwise detrimentally affects any material rights and benefits of the Lender under or acquired pursuant to any Security Document. No ERISA Affiliate will incur any obligation to contribute to any Multiemployer Plan or any plan subject to Section 4064 of ERISA. No Restricted Person will grant any overriding royalties, net profits interests, production payments, or similar contractual rights concerning the Oil and Gas Properties.

Section 5.11. Certain Amendments.

(a) No Restricted Person will enter into any amendment or permit any modification of, or waive any material right or obligation of any Person under, its Organizational Documents, in each case, in a manner that is materially adverse to the Lender.

(b) No Restricted Person will (i) cancel or terminate any Material Contract (or consent to or accept any cancellation or termination thereof), other than the termination of a Material Contract that terminates or expires by its own terms, or (ii) amend or otherwise modify any other Material Contract, give any consent, waiver, or approval under any such other Material Contract, or waive any breach of or default under any such other Material Contract, in the case of this clause (ii), in a manner that is materially adverse to the Lender.

Section 5.12. Sale and Leaseback Transactions. No Restricted Person will, directly or indirectly, enter into any arrangement with any Person whereby in a substantially contemporaneous transaction such Restricted Person sells or transfers all or substantially all of its right, title, and interest in and to an asset and, in connection therewith, acquires or leases back the right to use such asset.

Section 5.13. Negative Pledge. No Restricted Person will enter into any agreement (excluding this Agreement and the Security Documents) prohibiting (a) the creation or assumption of any Lien upon its properties, revenues, or assets, whether now owned or hereafter acquired (provided that this provision is not intended to limit in any manner any Restricted Person's obligations to grant Liens securing the Collateral as otherwise set forth in any Loan Document), other than (i) any prohibition or limitation that exists pursuant to the applicable requirements of a Governmental Authority , (ii) any customary provisions in leases, licenses, and similar contracts as they affect any property or Lien subject to, or the assignment of, such lease, license, or similar contract, and (iii) negative pledges associated with consensual Liens permitted under Section 5.2, or (b) the amendment of any Loan Document.

Section 5.14. Subsidiaries of the Borrower. No Restricted Person will create or acquire any Restricted Subsidiary unless the Borrower gives written notice to the Lender of such creation or acquisition and complies with Section 4.14 and Section 4.15. No Restricted Person will sell, assign, or otherwise dispose of any Equity in any Subsidiary except in compliance with Section 5.4 and Section 5.5. The Borrower will not have any Foreign Subsidiaries.

Section 5.15. Non-Qualified ECP Guarantors. The Borrower will not permit any Restricted Person that is not a Qualified ECP Guarantor to own, at any time, any Oil and Gas

Properties to which Proved Reserves are attributed or any Equity in any Restricted Person that owns any such Oil and Gas Properties.

Section 5.16. Parent Debentures. The Parent shall not make any cash payments of interest on, nor repay in any respect, the Parent's convertible debentures due June 2022 without the prior consent of the Lender.

Section 5.17. Material Changes of the Parent. The Parent will not, without providing at least thirty (30) days' prior written notice to the Lender, change its legal name, identity, type of organization, jurisdiction of organization, location of its chief executive office or its principal place of business, or its organizational identification number.

ARTICLE VI - Financial Covenants.

Section 6.1. Asset Coverage Ratio. As of the end of each Fiscal Quarter, commencing with the Fiscal Quarter ending June 30, 2021, the Borrower will not permit the ratio of (a) the most recently determined Collateral Value pursuant to Section 2.8 to (b) the principal amount then-outstanding on all Loans to be less than 2.00 to 1.00.

Section 6.2. Debt Service Coverage Ratio. As of the end of each Fiscal Quarter, commencing with the Fiscal Quarter ending September 30, 2021, the Borrower will not permit the ratio of (a) the aggregate Consolidated Adjusted EBITDAX for the four most recently completed Fiscal Quarters to (b) Borrower's and its Subsidiaries' aggregate scheduled principal payments and interest expense paid in cash for the four most recently completed Fiscal Quarters for the Loans and any other debt for borrowed money that carries scheduled terms for repayment, to be less than 1.25 to 1.00. For the Fiscal Quarters ending September 30, 2021, December 31, 2021, and March 31, 2022, the ratio in this Section 6.2 shall be calculated on an annualized basis utilizing applicable information for Fiscal Quarters that occurred entirely after the Closing Date.

ARTICLE VII - Conditions Precedent

Section 7.1. Closing Date Conditions. The obligation of the Lender to make the Tranche A Loan on the Closing Date is subject to satisfaction of the following conditions precedent:

(a) Loan Documents. The Lender shall have received duly executed (and properly acknowledged where applicable) and delivered counterparts of each Loan Document to be executed and delivered on the Closing Date (i) in form, substance, and date satisfactory to the Lender, and (ii) in such numbers as the Lender or its counsel may request. In connection with the execution and delivery of the Security Documents to be delivered on the Closing Date, the Lender shall (i) be reasonably satisfied that the Security Documents will, upon recording, create first priority, perfected Liens (subject only to Permitted Liens) on Oil and Gas Properties with an aggregate value of at least the Collateral Value and (ii) have received UCC financing statements (duly authorized) as the Lender may request to perfect the Liens granted pursuant to such Security Documents.

(b) Organizational Documents; Incumbency; Good Standing Certificates. The Lender shall have received from each Restricted Person (i) copies of such Restricted Person's Organizational Documents certified by the secretary, assistant secretary, or any other officer of

such Restricted Person as being in full force and effect, and, to the extent applicable, certified as of a recent date prior to the Closing Date by the appropriate governmental official, (ii) signature and incumbency certificates of the officers of such Restricted Person executing the Loan Documents to which it is a party, certified as of the Closing Date by the secretary, assistant secretary, or any other officer of such Restricted Person, (iii) resolutions of the board of directors or board of managers or similar governing body of such Restricted Person approving and authorizing the execution, delivery, and performance of this Agreement and the other Loan Documents to which it is a party or by which it or its assets may be bound as of the Closing Date, certified as of the Closing Date by the secretary, assistant, secretary or any other officer of such Restricted Person as being in full force and effect without modification or amendment, (iv) an existence and good standing certificate from the Governmental Authority of each Restricted Person's jurisdiction of incorporation, organization, or formation and in each jurisdiction in which it owns real property Collateral, each dated as of a recent date prior to the Closing Date, and (v) such other documents as the Lender may reasonably request.

(c) Closing Certificate. The Lender shall have received a "Closing Certificate" of a Responsible Officer of the Borrower dated as of the Closing Date in which such Responsible Officer certifies:

(i) Closing Date Conditions: to the satisfaction of each of the conditions set out in this Section 7.1 and subsections (a) and (b) of Section 7.2, provided that such certificate may assume that any requirement of Lender's satisfaction is satisfied; and

(ii) Pro Forma Compliance: that, after giving pro forma effect to the transactions contemplated hereunder, the Borrower is in compliance with the financial covenant set forth in Section 6.1 as if the Borrower were required to comply therewith as of March 31, 2021 (which compliance shall be demonstrated by reasonably detailed calculations).

(d) Material Contracts; Convertible Debentures. The Lender shall have received a copy of each Material Contract (including all waivers, supplements, or amendments thereto) and a certificate of a Responsible Officer of the Borrower, dated as of the Closing Date, in which such Responsible Officer certifies that the Borrower has delivered to the Lender a true, correct, and complete copy of each Material Contract (including all waivers, supplements, or amendments thereto). The Lender shall have received a copy of all agreements evidencing Indebtedness, including existing convertible debenture, issued or entered into by any Restricted Person or Parent, each in form and substance reasonably satisfactory to the Lender.

(e) Opinions of Counsel to the Restricted Persons. The Lender shall have received executed copies of the favorable written opinions of counsel to the Restricted Persons opining as to such matters as the Lender may reasonably request, dated as of the Closing Date and otherwise in form and substance reasonably satisfactory to the Lender (and each Restricted Person hereby instructs such counsel to deliver such opinions to the Lender).

(f) Evidence of Insurance. The Lender shall have received a certificate from the Restricted Persons' insurance broker or other evidence reasonably satisfactory to it that all insurance required to be maintained pursuant to Section 4.8 is in full force and effect and that the

Lender has been named as both (i) a certificate holder or an additional interest, as applicable, and (ii) an additional insured or a loss payee, as applicable, thereunder as its interests may appear and to the extent required under Section 4.8. In addition, the Lender shall have received (i) standard flood hazard determination forms, if applicable, and (ii) if any property is located in a special flood hazard area, (x) notices to (and confirmations of receipt by) the Borrower as to the existence of a special flood hazard and, if applicable, the unavailability of flood hazard insurance under the National Flood Insurance Program and (y) evidence of applicable flood insurance, if available, in each case in such form, on such terms, and in such amounts as required by The National Flood Insurance Reform Act of 1994 or as otherwise required by the Lender.

(g) Initial Financial Statements. The Lender shall have received the Initial Financial Statements, which shall be in form reasonably satisfactory to the Lender, together with a certificate by a Responsible Officer of the Borrower certifying the Initial Financial Statements.

(h) Initial Engineering Report. The Lender shall have received the Initial Engineering Report, which shall be in form and substance reasonably satisfactory to the Lender.

(i) Title. The Lender shall have received title reports and title opinions in form, substance, and authorship satisfactory to the Lender with respect to the Minimum Title Amount.

(j) Environmental Reports. The Lender shall have received reports and other information that have been reasonably requested, in form, scope, and substance reasonably satisfactory to the Lender, regarding environmental matters relating to the Restricted Persons' material real property assets.

(k) Fees and Expenses. The Lender shall have received all of the commitment, facility, agency, recording, filing, and other fees or reimbursements required to be paid to the Lender pursuant to the Fee Letter or any other Loan Document or any commitment agreement heretofore entered into invoiced at least one Business Day prior to the Closing Date. The Lender shall have received payment from the Borrower for estimated fees charged by filing officers and other public officials incurred or to be incurred in connection with filing or recording any Security Document and for which invoices have been presented at least one Business Day prior to the Closing Date.

(l) Material Adverse Change. No event or circumstance shall have occurred or be continuing since December 31, 2020, that has caused, or could be reasonably expected to cause, either individually or in the aggregate, a Material Adverse Change.

(m) Governmental Authorizations and Consents. Each Restricted Person shall have obtained all governmental authorizations from any Governmental Authority and all consents of other Persons, in each case that are necessary or deemed by the Lender to be advisable in connection with the transactions contemplated by the Loan Documents and each of the foregoing shall be in full force and effect and in form and substance reasonably satisfactory to the Lender. All applicable waiting periods shall have expired without any action being taken or threatened by any competent authority that would restrain, prevent, or otherwise impose adverse conditions on the transactions contemplated by the Loan Documents or the financing thereof and no action, request for stay, petition for review or rehearing, reconsideration, or appeal with respect to any of

the foregoing shall be pending, and the time for any applicable agency to take action to set aside its consent on its own motion shall have expired.

(n) 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 Lender, singly or in the aggregate, materially impairs the financing hereunder or any of the other transactions contemplated by the Loan Documents, or that could reasonably be expected to cause a Material Adverse Change.

(o) Completion of Proceedings. All of the partnership, company, corporate, and other proceedings taken or to be taken in connection with the transactions contemplated hereby and all of the documents incidental thereto shall be reasonably satisfactory in form and substance to the Lender and its counsel, and the Lender and such counsel shall have received all such counterpart originals or certified copies of such documents as the Lender may reasonably request.

(p) Due Diligence. The Lender shall have completed satisfactory due diligence review of the assets, liabilities, business, operations, and condition (financial or otherwise) of the Restricted Persons, including a review of their Oil and Gas Properties and all legal, financial, accounting, governmental, environmental, tax, and regulatory matters and fiduciary aspects of the financing contemplated hereby.

(q) Equity Raise. The Parent shall have consummated and completed an equity financing of at least $4,000,000, in form and substance satisfactory to the Lender.

(r) Existing Indebtedness Discharge. The Lender shall have received a payoff letter, in form and substance satisfactory to the Lender, for full satisfaction and discharge of the Existing Indebtedness.

(s) Minimum Cash Balance; Payables. Evidence satisfactory to the Lender that, after giving pro forma effect to the discharge of the Existing Indebtedness and transfer of cash pursuant to Section 4.33, the Borrower shall have at least $1,500,000 in cash and cash equivalents. All account payables of Borrower and any Subsidiary shall be aged forty-five (45) days or less, except for account payables related to the royalties due related to any Oil and Gas Property and account payables being disputed in good faith and in the ordinary course of business.

(t) AFEs. The Lender shall have received copies of one or more currently proposed and valid authorizations for expenditure concerning wells to undergo production optimization activities at an aggregate cost of at least $500,000, and evidence satisfactory to the Lender that such costs will be recovered from incremental net cash flows within eighteen (18) months.

(u) Parent Warrants. The Lender shall have received the Warrants issued by the Parent.

(v) Other Documentation. The Lender shall have received all of the documents and instruments that the Lender has then reasonably requested, in addition to those described in this Section 7.1. All such additional documents and instruments shall be reasonably satisfactory to the Lender in form, substance, and date.

Section 7.2. Conditions Precedent for Tranche B Loans. The obligation of the Lender to make a Tranche B Loan on the occasion of any Borrowing is subject to the satisfaction of the following conditions:

(a) All of the representations and warranties made by any Restricted Person in any Loan Document shall be true and correct in all material respects (without duplication of any materiality qualifiers contained therein) on and as of the date of such Borrowing, as if such representations and warranties had been made as of the date of such Borrowing, except to the extent that such representation or warranty was made as of a specific date, in which case such representation or warranty shall be true and correct in all material respects (without duplication of any materiality qualifiers contained therein) as of such specific date, and except that for purposes of this Section 7.2, the representations and warranties contained in Section 3.6(a) shall be deemed to refer to the most recent statements furnished pursuant to Section 4.2(a) and Section 4.2(b).

(b) At the time of and immediately after giving effect to such Borrowing no Default shall have occurred and be continuing.

(c) No development or event shall have occurred that caused or could reasonably be expected to cause a Material Adverse Change since the date of the most recently delivered financial statements pursuant to Section 4.2(a) (or, until the initial delivery of such financial statements, since December 31, 2020).

(d) The making of such Loan shall not be prohibited by any Law and shall not subject the Lender to any penalty or other onerous condition under or pursuant to any such Law.

(e) The receipt by the Lender of a Borrowing Notice in accordance with Section 2.3.

Each request for a Borrowing shall be deemed to constitute a representation and warranty by the Borrower on the date thereof as to the matters specified in Section 7.2(a) through (d).

ARTICLE VIII - Events of Default and Remedies

Section 8.1. Events of Default. Each of the following events constitutes an Event of Default ("Event of Default") under this Agreement:

(a) Any Restricted Person fails to pay any principal of any Loan when due and payable, whether at a date for the payment of a fixed installment or as a contingent or other payment becomes due and payable or as a result of acceleration or otherwise;

(b) Any Restricted Person fails to pay any Obligation (other than the Obligations in subsection (a) of this section) when due and payable, whether at a date for the payment of a fixed installment or as a contingent or other payment becomes due and payable or as a result of acceleration or otherwise, within three (3) Business Days after the same becomes due;

(c) Any Restricted Person fails to duly observe, perform, or comply with any covenant, agreement, or provision of Section 2.4, Section 4.2(k), Section 4.2(l), Section 4.4, Section 4.6 (with respect to organization or maintenance of existence), Section 4.14, Section 4.25, Section 4.28, Article V, or Article VI;

(d) Any Restricted Person fails (other than as referred to in subsection (a), (b), or (c) of this section) to duly observe, perform, or comply with any covenant, agreement, condition, or provision of any Loan Document to which it is a party, and such failure remains unremedied for a period of thirty (30) days after the earlier to occur of (i) a Responsible Officer of any Restricted Person having knowledge of such failure or (ii) receipt of notice thereof by the Borrower from the Lender;

(e) Any representation or warranty previously, presently, or hereafter made in writing by or on behalf of any Restricted Person in connection with any Loan Document shall prove to have been false or incorrect in any material respect on any date on or as of which made, or any Loan Document at any time ceases to be valid, binding, and enforceable as warranted in Section 3.5 for any reason other than its release or subordination by the Lender in accordance with the terms of this Agreement;

(f) An "Event of Default" or a "Termination Event" (as defined in any Hedging Contract to which a Restricted Person is a party) occurs under such Hedging Contract, in each case after giving effect to any applicable grace periods resulting in a Restricted Person payment obligation in excess of the Threshold Amount;

(g) Any Restricted Person (i) fails to pay any portion, when such portion is due, of any of its Indebtedness in excess of the Threshold Amount (other than the Obligations), or (ii) breaches or defaults in the performance of any agreement or instrument by which any such Indebtedness is issued, evidenced, governed, or secured, and any such failure, breach, or default continues beyond any applicable period of grace provided therefor;

(h) A Termination Event occurs that, when taken together with all of the other Termination Events that have occurred, has caused or could reasonably be expected to cause, liability of any Restricted Person in an aggregate amount in excess of the Threshold Amount, or any other event or condition shall occur or exist with respect to a Plan and such event or condition, together with all such other events or conditions and Termination Events, if any, could reasonably be expected to cause a Material Adverse Change;

(i) Any Restricted Person:

(i) suffers the entry against it of a judgment, decree, or order for relief by a Governmental Authority of competent jurisdiction in an involuntary proceeding commenced under any Debtor Relief Laws now or hereafter in effect, or any proceeding under any Debtor Relief Law commenced against it remains undismissed for a period of sixty (60) days; or

(ii) commences a voluntary case under any Debtor Relief Laws now or hereafter in effect; or applies for or consents to the entry of an order for relief in an involuntary case under any Debtor Relief Law; or makes a general assignment for the benefit of creditors; or is generally not paying (or admits in writing its inability to pay) its debts as such debts become due; or takes corporate or other action authorizing any of the foregoing; or

(iii) suffers the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator, or similar official of all or a substantial part of

its assets or of any part of the Collateral in a proceeding brought against or initiated by it, and such appointment or taking possession is neither made ineffective nor discharged within thirty (30) days after the making thereof, or such appointment or taking possession is at any time consented to, requested by, or acquiesced to by it; or

(iv) suffers the entry against it of (1) one or more final judgments or orders for the payment of money in an aggregate amount (as to all such judgments or orders) in excess of the Threshold Amount (not covered by insurance satisfactory to the Lender in its discretion), or (2) one or more non-monetary final judgments that have caused, or could reasonably be expected to cause, individually or in the aggregate, a Material Adverse Change and, in either case, (x) enforcement proceedings are commenced by any creditor upon such judgment or order, or (y) there is a period of ten (10) consecutive days during which a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, is not in effect; or

(v) suffers a writ or warrant of attachment or any similar process to be issued by any Governmental Authority against all or any substantial part of its assets or any part of the Collateral, and such writ or warrant of attachment or any similar process is not stayed or released within thirty (30) days after the entry or levy thereof or after any stay is vacated or set aside;

(j) Any provision of any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all of the Obligations, ceases to be in full force and effect; or any Restricted Person or any other Person contests in any manner the validity or enforceability of any provision of any Loan Document; or any Restricted Person denies that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate, or rescind any provision of any Loan Document; and

(k) Any Change of Control occurs.

Upon the occurrence of an Event of Default described in subsection (i)(i), (i)(ii), or (i)(iii) of this section with respect to any Restricted Person, all of the Obligations shall thereupon be immediately due and payable, without demand, presentment, notice of demand or of dishonor and nonpayment, protest, notice of protest, notice of intention to accelerate, declaration or notice of acceleration, or any other notice or declaration of any kind, all of which are hereby expressly waived by the Borrower and each other Restricted Person who at any time ratifies or approves this Agreement. Upon any such acceleration, any obligation of the Lender to make any further Loans hereunder shall be automatically and permanently terminated. During the continuance of any other Event of Default, the Lender at any time and from time to time may, without notice to the Borrower or any other Restricted Person, do either or both of the following: (1) terminate any obligation of the Lender to make Loans hereunder, and (2) declare any or all of the Obligations immediately due and payable, and all of such Obligations shall thereupon be immediately due and payable, without demand, presentment, notice of demand or of dishonor and nonpayment, protest, notice of protest, notice of intention to accelerate, declaration or notice of acceleration, or any other notice or declaration of any kind, all of which are hereby expressly waived by the Borrower and each other Restricted Person who at any time ratifies or approves this Agreement.

Section 8.2. Remedies. If any Default shall occur and be continuing, the Lender may protect and enforce its rights under the Loan Documents by any appropriate proceedings, including proceedings for specific performance of any covenant or agreement contained in any Loan Document. All of the rights, remedies, and powers conferred upon the Lender under the Loan Documents shall be deemed cumulative and not exclusive of any other rights, remedies, or powers available under the Loan Documents or at Law or in equity.

Section 8.3. Application of Proceeds After Acceleration. After the exercise of remedies provided for in Section 8.2 (or after the Loans have automatically become immediately due and payable), any amounts received on account of the Obligations shall be applied by the Lender in the following order:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses, and other amounts (excluding other amounts provided for in clauses "Second" or "Third" below) payable to the Lender, (including fees, charges, and disbursements of counsel to the Lender and amounts payable under Section 2.11);

Second, to payment of that portion of the Obligations constituting accrued and unpaid interest on the Loans;

Third, to payment of that portion of the Obligations constituting unpaid principal of the Loans;

Fourth, pro rata to the payment of any other Obligations; and

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by Law;

provided that, to the extent that any Excluded Swap Obligations exist with respect to any Guarantor, monies or property received from such Guarantor or from the proceeds of any Collateral provided by such Guarantor may not be shared with the Lender Counterparties to the extent that doing so would violate the Commodity Exchange Act (but to the maximum extent allowed under applicable Law the amounts received or recovered from the other Restricted Persons will instead be allocated to the Lender Counterparties as necessary to achieve the overall ratable applications of monies and property intended by this section but for this proviso).

Section 8.4. Right of Setoff. If an Event of Default shall have occurred and be continuing, the Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held, and other obligations (in whatever currency) at any time owing, by the Lender or any such Affiliate, for the credit or the account of or to any Restricted Person against any and all of the obligations of such Restricted Person now or hereafter existing under this Agreement or any other Loan Document to the Lender or its Affiliates, irrespective of whether or not the Lender or such Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of such Restricted Person may be contingent or unmatured or are owed to a branch, office, or Affiliate of the Lender different from the branch, office, or Affiliate holding such deposit or obligated on such indebtedness. The rights of the Lender and its Affiliates under

this section are in addition to other rights and remedies (including other rights of setoff) that the Lender or its Affiliates may have. The Lender agrees to notify the Borrower 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 8.5. Payments Set Aside. To the extent that any payment by or on behalf of the Borrower is made to the Lender, or the Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside, or required (including pursuant to any settlement entered into by the Lender in its discretion) to be repaid to a trustee, receiver, or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred,

ARTICLE IX - Expenses; Indemnity; Damage Waiver.

Section 9.1. Costs and Expenses. The Borrower shall promptly pay (i) all of the transfer, stamp, mortgage, documentary, or other similar taxes, assessments, or charges levied by any governmental or revenue authority in respect of this Agreement or any of the other Loan Documents or any other document or transaction referred to herein or therein, (ii) all of the reasonable and documented out-of-pocket expenses incurred by the Lender and its Affiliates (including reasonable and documented out-of-pocket fees and expenses of attorneys, consultants, reserve engineers, accountants, and other advisors, travel costs, and other miscellaneous expenses) in connection with (1) the preparation, negotiation, execution, delivery, and administration of this Agreement and the other Loan Documents, or any amendments, modifications, or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (2) the filing, recording, refiling, and re-recording of any Loan Documents and any other documents or instruments or further assurances required to be filed or recorded or refiled or re-recorded by the terms of any Loan Document, (3) any action reasonably required in the course of administration hereof, or (4) monitoring or confirming (or preparation or negotiation of any document related to) any Restricted Person's compliance with any covenants or conditions contained in this Agreement or in any other Loan Document, (iii) all of the reasonable and documented out-of-pocket expenses incurred by or on behalf of the Lender and its Affiliates, agents, or representatives (including fees and expenses of attorneys, consultants, reserve engineers, accountants, and other advisors, travel costs, court costs, and miscellaneous expenses) (A) in connection with the preservation of any rights under the Loan Documents, the exercise or enforcement of any rights or remedies under the Loan Documents (including this section), or the defense of any such exercise or enforcement, or (B) in connection with the enforcement or protection of its rights in connection with the Loans made, including all such reasonable and documented out-of-pocket expenses incurred during any workout, restructuring, or negotiations in respect of such Loans.

Section 9.2. Indemnification. The Borrower shall indemnify the Lender, and each Related Party of any the Lender (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities, and related expenses (including the fees, charges, and disbursements of any counsel for any Indemnitee), incurred by any Indemnitee or asserted against any Indemnitee by any third party or by any

Restricted Person arising out of, in connection with, or as a result of (a) the execution or delivery of this Agreement, any other Loan Document, or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto or thereto of their respective obligations hereunder or thereunder, or the consummation of the transactions contemplated hereby or thereby, (b) any Loan or the use or proposed use of the proceeds thereof, (c) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by any Restricted Person or any of its Subsidiaries, or any environmental liability related in any way to any Restricted Person or any of its Subsidiaries, or (d) 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 Restricted Person, and regardless of whether any Indemnitee is a party thereto. **THE FOREGOING INDEMNIFICATION WILL APPLY WHETHER OR NOT SUCH LIABILITIES AND COSTS ARE IN ANY WAY OR TO ANY EXTENT OWED, IN WHOLE OR IN PART, UNDER ANY CLAIM OR THEORY OF STRICT LIABILITY OR CAUSED, IN WHOLE OR IN PART, BY ANY NEGLIGENT ACT OR OMISSION OF ANY KIND BY ANY INDEMNITEE**; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities, or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee, (y) result from a claim brought by a Restricted Person against an Indemnitee for breach in bad faith of such Indemnitee's material obligations hereunder or under any other Loan Document, if such Restricted Person has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction or (z) result from a dispute solely among Indemnitees that does not involve actions, omissions, or representations by or on behalf of any Restricted Person.

Section 9.3. [Intentionally Omitted].

Section 9.4. Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable Law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, 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, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof. No Indemnitee referred to in Section 9.2 shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic, or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

Section 9.5. Payments. All of the amounts due under this section shall be payable not later than ten (10) days after written demand therefor.

Section 9.6. Survival. Each party's obligations under this Article IX shall survive the termination of the Loan Documents and payment of the obligations hereunder.

ARTICLE X - [Intentionally Omitted]

ARTICLE XI - Miscellaneous

Section 11.1. Waivers and Amendments; Acknowledgments.

(a) Waivers and Amendments. No failure or delay (whether by course of conduct or otherwise) by the Lender in exercising any right, power, or remedy that the Lender may have under any of the Loan Documents shall operate as a waiver thereof or of any other right, power, or remedy, nor shall any single or partial exercise by the Lender of any such right, power, or remedy preclude any other or further exercise thereof or of any other right, power, or remedy. No waiver of any provision of any Loan Document and no consent to any departure therefrom shall ever be effective unless it is in writing and signed as provided below in this section, and then such waiver or consent shall be effective only in the specific instances and for the purposes for which given and to the extent specified in such writing. No notice to or demand on any Restricted Person shall in any case of itself entitle any Restricted Person to any other or further notice or demand in similar or other circumstances. This Agreement and the other Loan Documents set forth the entire understanding between the parties hereto with respect to the transactions contemplated herein and therein and supersede all prior discussions and understandings with respect to the subject matter hereof and thereof, and no waiver, consent, release, modification, or amendment of or supplement to this Agreement or the other Loan Documents shall be valid or effective against any party hereto unless the same is in writing and signed by (i) if such party is the Borrower, by the Borrower, and (ii) if such party is the Lender, by the Lender. Notwithstanding the foregoing, any supplement to Schedule 3.13 shall be effective simply by delivering to the Lender a supplemental schedule clearly marked as such and, without the consent of the Lender, the Borrower (or any other applicable Restricted Person) may (x) amend this Agreement or any other Loan Document in order to correct, amend, or cure any ambiguity, omission, inconsistency, illegality, or defect therein, or to correct any typographical error or other manifest error in any Loan Document or otherwise effectuate the intent of the parties hereto, (y) enter into any amendment, modification, or waiver of this Agreement or any other Loan Document, or enter into any new Loan Document, in order to provide for the Liens and Security Documents contemplated in the Loan Documents, and (z) enter into any supplement, amendment, or modification of this Agreement or any other Loan Document, or enter into any new Loan Document, in order to join additional Persons as Restricted Persons or Guarantors.

(b) Acknowledgments and Admissions. The Borrower hereby represents, warrants, acknowledges, and admits that (i) it has been advised by counsel in the negotiation, execution, and delivery of the Loan Documents to which it is a party, (ii) it has made an independent decision to enter into this Agreement and the other Loan Documents to which it is a party, without reliance on any representation, warranty, covenant, or undertaking by the Lender, whether written, oral, or implicit, other than as expressly set out in this Agreement or in another Loan Document delivered on or after the date hereof, (iii) there are no representations, warranties, covenants, undertakings, or agreements by the Lender as to the Loan Documents except as expressly set out in this Agreement or in another Loan Document delivered on or after the date hereof, (iv) the Lender does not have any fiduciary obligation toward the Borrower with respect to any Loan Document or the transactions contemplated thereby, (v) the relationship pursuant to the Loan Documents between the Borrower and the other Restricted Persons, on one hand, and the Lender, on the other hand, is

and shall be solely that of debtor and creditor, respectively, (vi) no partnership or joint venture exists with respect to the Loan Documents between any Restricted Person and the Lender, (vii) should an Event of Default or a Default occur or exist, the Lender 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, (ix) without limiting any of the foregoing, the Borrower is not relying upon any representation or covenant by the Lender, or any representative thereof, and no such representation or covenant has been made, that the Lender will, at the time of an Event of Default or a Default, or at any other time, waive, negotiate, discuss, or take or refrain from taking any action permitted under the Loan Documents with respect to any such Event of Default or Default or any other provision of the Loan Documents, and (x) the Lender has relied upon the truthfulness of the acknowledgments in this section in deciding to execute and deliver this Agreement and to become obligated hereunder.

(c) Joint Acknowledgment. **THIS WRITTEN AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN AND AMONG THE PARTIES WITH RESPECT TO THE SUBJECT MATTER HEREOF AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN OR AMONG THE PARTIES.**

Section 11.2. Survival of Agreements; Cumulative Nature. All of each Restricted Person's representations, warranties, covenants, and agreements in the Loan Documents shall survive the execution and delivery of this Agreement and the other Loan Documents and the performance hereof and thereof, including the making or granting of the Loans and the delivery of the Notes and the other Loan Documents, and shall further survive until Payment in Full. Notwithstanding the foregoing or anything herein to the contrary, any waivers or admissions made by any Restricted Person in any Loan Document, any Obligations under Section 2.11 and any obligations that any Person may have to indemnify or compensate the Lender shall survive any termination of this Agreement or any other Loan Document. In addition, Articles VIII, IX and X shall survive until all of the Security Documents have been terminated. All statements and agreements contained in any certificate or other instrument delivered by any Restricted Person to the Lender under any Loan Document shall be deemed representations and warranties by the Borrower or agreements and covenants of the Borrower under this Agreement. The representations, warranties, indemnities, and covenants made by the Restricted Persons in the Loan Documents, and the rights, powers, and privileges granted to the Lender in the Loan Documents, are cumulative, and, except for expressly specified waivers and consents, no Loan Document shall be construed in the context of another to diminish, nullify, or otherwise reduce the benefit to the Lender of any such representation, warranty, indemnity, covenant, right, power, or privilege. In particular and without limitation, no exception set out in this Agreement to any representation, warranty, indemnity, or covenant herein contained shall apply to any similar representation, warranty, indemnity, or covenant contained in any other Loan Document, and each such similar representation, warranty, indemnity, or covenant shall be subject only to those exceptions that are expressly made applicable to it by the terms of the various Loan Documents.

Section 11.3. Notices; Effectiveness; Electronic Communication.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), 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 facsimile to the address or facsimile number, as applicable, specified for such person on the signature pages hereof, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the telephone number specified for such person on the signature pages hereof.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices delivered through electronic communications, to the extent provided in subsection (b) below, shall be effective as provided in said subsection (b).

(b) Electronic Communications. Notices and other communications to the Lender and hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites), provided that the foregoing shall not apply to notices to the Lender pursuant to Article II if the Lender has notified the Borrower that it is incapable of receiving notices under such Article by electronic communication. The Borrower or any other Restricted Person 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.

Unless the Lender otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail, or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) above, if such notice, e-mail, or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(c) Change of Address, Etc. Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto.

(d) [Intentionally Omitted].

Section 11.4. Successors and Assigns; Joint and Several Liability.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that neither the Borrower nor any other Restricted Person may assign or otherwise transfer any of its rights or obligations under any Loan Document without the prior written consent of the Lender. The Lender may freely assign or otherwise transfer any of its rights or obligations hereunder including by way of pledge or assignment of a security interest pursuant to subsection (e) of this section. 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, to the extent expressly contemplated hereby, the Related Parties of the Lender) any legal or equitable right, remedy, or claim under or by reason of this Agreement.

(b) Assignments by the Lender. The Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement and the other Loan Documents.

(c) Participations. The Lender may at any time, without the consent of, or notice to, the Borrower, sell participations to any Person (other than a natural person, or any Restricted Person or any Restricted Person's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of the Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that (i) the Lender's obligations under this Agreement shall remain unchanged, (ii) the Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower shall continue to deal solely and directly with the Lender in connection with the Lender's rights and obligations under this Agreement. For the avoidance of doubt, the Lender shall be responsible for the indemnity under Section 2.11(e) with respect to any payments made by the Lender to its Participant(s).

Any agreement or instrument pursuant to which the Lender sells such a participation shall provide that the 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 Lender will not, without the consent of the Participant, agree to any amendment, modification, or waiver described in the fifth sentence of Section 11.1(a) that affects such Participant. Subject to subsection (e) of this section, the Borrower agrees that each Participant shall be entitled to the benefits of Section 2.11 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this section; provided that such Participant shall not be entitled to receive any greater payment under Section 2.11, 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 a Change in Law 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 8.4 as though it were the Lender. The Lender shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"). The Participant Register shall be available for inspection by the Borrower at any reasonable time and from time to time upon reasonable prior notice; provided that the Lender shall not have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, 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 the 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.

(d) Certain Pledges. The 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 the Lender; provided that no such pledge or assignment shall release the Lender from any of its obligations hereunder or substitute any such pledgee or assignee for the Lender as a party hereto.

(e) Joint and Several Liability. All of the Obligations that are incurred by two or more of the Restricted Persons shall be their joint and several obligations and liabilities.

Section 11.5. Confidentiality. The Lender agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential); (b) to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners); (c) to the extent required by applicable Laws or regulations or by any subpoena or similar legal process; (d) to any other party hereto; (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder; (f) subject to an agreement containing provisions substantially the same as those of this section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement, or (ii) any actual or prospective party (or its Related Parties) to any swap, derivative, or other transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement, or payments hereunder; (g) on a confidential basis to (i) any rating agency in connection with rating any Restricted Person or the credit facilities provided by this Agreement, or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to such credit facilities; (h) with the consent of the Borrower; or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this section, or (y) becomes available to the Lender or any of its Affiliates on a non-confidential basis from a source other than a Restricted Person.

For purposes of this section, "Information" means all of the information received from any Restricted Person or any of its Subsidiaries relating to any Restricted Person or any of its Subsidiaries or any of their respective businesses, other than any such information that is available to the Lender on a non-confidential basis prior to disclosure by any Restricted Person or any of its Subsidiaries. Any Person required to maintain the confidentiality of Information as provided in this section 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.

Section 11.6. Governing Law; Submission to Process. **THIS AGREEMENT, EACH NOTE, AND EACH OTHER LOAN DOCUMENT, AND ALL OF THE MATTERS RELATING HERETO OR THERETO OR ARISING THEREFROM (WHETHER SOUNDING IN CONTRACT LAW, TORT LAW, OR OTHERWISE), SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES; PROVIDED THAT THE MORTGAGES SHALL BE**

GOVERNED BY THE LAWS ELECTED THEREIN. EACH OF THE PARTIES HERETO HEREBY CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE SOUTHERN DISTRICT OF TEXAS, AND IRREVOCABLY AGREES THAT ALL OF THE ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS SHALL BE LITIGATED IN SUCH COURTS. EACH OF THE PARTIES HERETO EXPRESSLY SUBMITS AND CONSENTS TO THE JURISDICTION OF THE AFORESAID COURTS AND WAIVES ANY DEFENSE OF FORUM NONCONVENIENS. EACH OF THE PARTIES HERETO HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE UPON IT BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, ADDRESSED TO IT AT THE ADDRESS SET FORTH IN THIS AGREEMENT AND SERVICE SO MADE SHALL BE COMPLETE TEN (10) DAYS AFTER THE SAME HAS BEEN POSTED.

Section 11.7. Limitation on Interest The Lender, the Restricted Persons, and any other parties to the Loan Documents intend to contract in strict compliance with applicable usury Law from time to time in effect. In furtherance thereof, such Persons stipulate and agree that none of the terms and provisions contained in the Loan Documents shall ever be construed to create a contract to pay, for the use, forbearance, or detention of money, interest in excess of the maximum amount of interest permitted to be charged by applicable Law from time to time in effect. Neither any Restricted Person nor any present or future guarantors, endorsers, or other Persons hereafter becoming liable for payment of any Obligation shall ever be liable for unearned interest thereon or shall ever be required to pay interest thereon in excess of the maximum amount that may be lawfully contracted for, charged, or received under applicable Law from time to time in effect, and the provisions of this section shall control over all other provisions of the Loan Documents that may be in conflict or apparent conflict herewith. The Lender expressly disavows any intention to contract for, charge, or collect excessive unearned interest or finance charges in the event the maturity of any Obligation is accelerated. If (a) the maturity of any Obligation is accelerated for any reason, (b) any Obligation is prepaid and as a result any amounts held to constitute interest are determined to be in excess of the legal maximum, or (c) the Lender or any other holder of any or all of the Obligations shall otherwise collect moneys that are determined to constitute interest that would otherwise increase the interest on any or all of the Obligations to an amount in excess of that permitted to be charged by applicable Law then in effect, then all sums determined to constitute interest in excess of such legal limit shall, without penalty, be promptly applied to reduce the then outstanding principal of the related Obligations or, at the Lender's or holder's option, promptly returned to the Borrower or the other payor thereof upon such determination. In determining whether or not the interest paid or payable, under any specific circumstance, exceeds the maximum amount permitted under applicable Law, the Lender and the Restricted Persons (and any other payors thereof) shall to the greatest extent permitted under applicable Law, (i) characterize any non-principal payment as an expense, fee, or premium rather than as interest, and (ii) amortize, prorate, allocate, and spread the total amount of interest throughout the entire contemplated term of the instruments evidencing the Obligations in accordance with the amounts outstanding from time to time thereunder and the maximum legal rate of interest from time to time in effect under applicable Law in order to lawfully contract for, charge, or receive the maximum amount of interest permitted under applicable Law. As used in this section, the term "applicable Law" means the Laws of the State of Texas or the Laws of the United States, whichever Laws

allow the greater interest, as such Laws now exist or may be changed or amended or come into effect in the future.

Section 11.8. Severability. If any term or provision of any Loan Document shall be determined to be illegal or unenforceable, all of the other terms and provisions of the Loan Documents shall nevertheless remain effective and shall be enforced to the fullest extent permitted by applicable Law.

Section 11.9. Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Loan Documents, and any separate letter agreements with respect to fees payable to the Lender, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 7.1, this Agreement shall become effective when it shall have been executed by the Lender and when the Lender shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or in electronic (e.g., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 11.10. Waiver of Jury Trial, Punitive Damages, Etc. **EACH RESTRICTED PERSON AND LENDER HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH RESTRICTED PERSON AND LENDER ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS RELIED ON THE WAIVER IN ENTERING INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS. EACH RESTRICTED PERSON AND LENDER WARRANTS AND REPRESENTS THAT EACH HAS HAD THE OPPORTUNITY OF REVIEWING THIS JURY WAIVER WITH LEGAL COUNSEL, AND THAT EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS. EACH RESTRICTED PERSON AND LENDER HEREBY WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY SUCH LEGAL PROCEEDING ANY "SPECIAL DAMAGES," AS DEFINED BELOW. EACH RESTRICTED PERSON AND LENDER (X) CERTIFIES THAT NO REPRESENTATIVE, AGENT, OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (Y) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION. AS USED IN THIS SECTION, "SPECIAL DAMAGES" INCLUDES ALL SPECIAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES**

(REGARDLESS OF HOW NAMED), BUT DOES NOT INCLUDE ANY PAYMENTS OR FUNDS WHICH ANY PARTY HERETO HAS EXPRESSLY PROMISED TO PAY OR DELIVER TO ANY OTHER PARTY HERETO.

Section 11.11. No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated by this Agreement, each Restricted Person acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a) the credit facilities provided for hereunder and any related services in connection therewith (including in connection with any amendment, waiver, or other modification hereof or of any other Loan Document) are an arm's-length commercial transaction between each Restricted Person and its Affiliates, on the one hand, and the Lender, on the other hand, and each Restricted Person is capable of evaluating and understanding and understands and accepts the terms, risks, and conditions of the transactions contemplated hereby and by the other Loan Documents (including any amendment, waiver, or other modification hereof or thereof); (b) in connection with the process leading to such transaction, the Lender is and has been acting solely as a principal and is not the financial advisor, agent, or fiduciary for any Restricted Person or any of its Affiliates, stockholders, creditors, or employees or any other Person; (c) the Lender has not assumed nor will assume an advisory, agency, or fiduciary responsibility in favor any Restricted Person with respect to any of the transactions contemplated hereby or the process leading thereto, including with respect to any amendment, waiver, or other modification hereof or of any other Loan Document (irrespective of whether the Lender has advised or is currently advising any Restricted Person or any of its Affiliates on other matters) and the Lender has no obligation to any Restricted Person or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; (d) the Lender and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Restricted Persons and their Affiliates, and the Lender has no obligation to disclose any of such interests by virtue of any advisory, agency, or fiduciary relationship; and (e) the Lender will not provide any legal, accounting, regulatory, or tax advice with respect to any of the transactions contemplated hereby (including any amendment, waiver, or other modification hereof or of any other Loan Document) and each Restricted Person has consulted its own legal, accounting, regulatory, and tax advisors to the extent it has deemed appropriate. Each of the Restricted Persons hereby waives and releases, to the fullest extent permitted by Law, any claims that it may have against the Lender with respect to any breach or alleged breach of agency or fiduciary duty.

Section 11.12. USA PATRIOT Act Notice. If Lender is subject to the Patriot Act it hereby notifies each Restricted Person that, pursuant to the requirements of the Patriot Act, it is required to obtain, verify, and record information that identifies each Restricted Person, which information includes the name and address of each Restricted Person and other information that will allow the Lender to identify each Restricted Person in accordance with the Patriot Act.

Section 11.13. Acknowledgement and Consent to Bail-In of EEA 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 EEA Financial Institution arising under any Loan Document may be subject to the Write-Down and Conversion Powers of an EEA 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 an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other 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 any EEA Resolution Authority.

[**SIGNATURE PAGES REDACTED**]

Schedules to the Credit Agreement
[**REDACTED**]